Tunisia and Algeria:
Two stages of the “Arab Spring”

The "Arab Spring" with the political, social and economic transformations it has caused is a movement that ended up lasting over time and, necessarily, because it is the same and different in each of the countries in which it took place. This diversity of situations turned out to be clear in the two Maghreb countries to which we will dedicate ourselves in this article. Indeed, if Tunisia underwent changes in the first moments, Algeria did not begin to feel the changes in its organizational structure until the end of 2018. Our analysis will be to verify what happened individually in each country in terms of social, legal and economic structures and then to establish a comparison between the current situation of the two countries and the effectiveness of the changes. In economic terms, Tunisia is in a process of economic reform and liberalization after decades of state participation in the economy. The Tunisian government has faced the challenges of reassuring companies and investors, protecting the country’s financial system, combating high unemployment and reducing economic disparities between the most developed coastal region and the impoverished interior. Algeria being classified as a medium-high income country by the World Bank, its economy continues to be dominated by the State, a legacy of the country’s post-independence socialist development model. We will necessarily have to make a descriptive, but also a special analysis of the phenomena that have occurred or are occurring in these countries. These, without forgetting the proximity of these territories to the European Union and the importance of analyzing the changes that in terms of relations between the North and the South of the Mediterranean resulted, were factors of change or remained as a result of the "Arab Spring". Within this framework, we will refer, in particular, to the framework of Algeria’s and Tunisia’s relations with Portugal, the country from which we come.

Keywords: "Arab Spring"; Algeria; Tunisia; economic and social structures

Introduction

A- To further develop our theme, an establishment of the notion of “Arab Spring” is required. With effect, at the beginning of 2010, in the Arab countries, a political change was verified. It represented an alteration in relation to the previous decades. This revolution had very unsettling consequences in Syria, Libya and Yemen, countries in which civil wars then started.

Why then should “Arab Spring” be studied? Because Tunisia became a democratic country after the fall of President Ben Ali and because, currently, Algeria finds itself in a transition process towards democracy. In addition, because these are both countries of the Maghreb (it means, «western land in relation to Arabia»), it’s important to know how they behave given their proximity to Europe, that has always defended their need of establishment of democratic regimes in the Mediterranean basin.
A better understanding of the political and social problem requires an economic analysis, which we will proceed in the beginning of our article. Indeed, it is simpler to understand the political and social problem by having an almost global analysis of the economic problem. This will enable us to state questions which (we assume) all Maghreb analysts ask and find no answer to.

B- In this research, we will base ourselves in documental investigation, the available information, written or symbolic, of different kinds of documents, whether it be books (very hard to find about today because it is in a perfectly changing and current state), newspapers or magazines articles, among many others.

The documental analysis is an important technique in the qualitative research, whether it be by complementing information obtained by other techniques or unveiling new aspects of a theme or problem (Ludke and André, 1986). According to Moreira (2007: 154), data can be catalogued as primary and secondary. Thus, written documents, institutional documents and personal documents are considered secondary data.


The reality of the North African region is conditioned by the relations that, within the framework of the Mediterranean area, this region, and in particular the region under consideration, has always established with Europe. The geopolitical importance of the Mediterranean in general and the Maghreb, in particular, has been expressed in the EEC Mediterranean Policy.

Maghreb region presents unique challenges and opportunities to dialogue, with Europe and Atlantic region (particularly with the United States) fostering concerted approaches between the three regions to address problems that directly or indirectly affect the whole Euro-Med-Atlantic area.

Trade relations between the Maghreb countries and Europe began more than 50 years ago (concluded that the Second World War was, started was the European construction and deleted the particular ties that united the three countries with the French Republic were eliminated), the first bilateral agreements, signed by Morocco, Algeria, Tunisia and, at the time, the European Economic Community (EEC), date from 1969. These countries were exempt from customs duties for certain goods, especially for oil, leather trade and textiles, although there were quotas for the latter two. However, for most agricultural products except citrus, high rates prevailed.

In the late 1970s, these agreements were revised, with the Maghreb States receiving economic and financial aid to modernize their agricultural and industrial production. However, the customs exemption for textiles and petroleum products

1Let us not forget that since the nineteenth century these countries have been part of the French territory as the proposed Tunisia and Algeria as non-autonomous territory and under direct administration of the Ministry of Internal Affairs. Moreover, it was until the end of World War II that these territories (countries) gained independence by concession it in the case of Tunisia and the war in the case of Algeria.
ended. Since the mid-1990s, the European Union has been seeking a free trade agreement with the Maghreb countries under the so-called Barcelona Process (Euro-Mediterranean Partnership).

From the Renewed Mediterranean Policy, to the Barcelona Process (Euro-Mediterranean Partnership), to the Union for the Mediterranean initiative, launched in July 2008, Europe soon realized that its security also depends on stability in the Maghreb and that its progress and modernization should be used to support the Southern Mediterranean and its sustainability. There concentrates an important part of Mediterranean energy resources and other raw materials. As these are deregulation economies and gradual liberalization, these states can also be seen as investment and expansion opportunities for Europe and the USA, even in non-traditional sectors such as telecommunications and alternative energy. At the same time, the European Union calls on these countries to take concrete measures to protect human rights, as well as political and social reforms.

A more detailed economic analysis of these two countries implies an analysis of each country in particular, of the relations that, globally and individually, they establish with Europe (European Union) and with Portugal in particular, whether in the imports aspect or in the exports aspect, and for each of these regions.

**Tunisia**

Joffé (2011) states that "Although economic issues were not the direct cause of the insurrections and revolutions we witnessed, we cannot deny that they were one of the antecedents of the revolts." High food and energy prices in 2010, as well as youth unemployment problems, with direct impacts on populations already living close to the poverty line, led to riots and protests (Ramos, 2013). To which we add the water problem that determines the use of innovative technical solutions, in fact, agriculture suffers from water scarcity, as well as tourism itself (thanks to the great influx that Tunisia makes sense) makes this country dependent on that resource (water).

In the end of twenty century the country's economic growth registered significant declines at the time of the popular revolution. GDP grew at a rate of 3.5 per cent before the revolution, with economic growth falling sharply in 2011. At this time, economic development in the country became increasingly difficult, especially after the collapse of the tourism sector due to the insecurity situation in the country. In addition, investors, both domestic and foreign, reduced their investments.

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3 It is estimated that each tourist requires 900 liters of water per day, this number includes personal expenses, swimming pools, kitchen and irrigation of green spaces. Add to the urban needs that absorb a large part of water transfers. The consequence was the closure of many agricultural units and the shift of people to activities linked to the tourism sector. (Sampaio Mariana, 2004) Fact that caused population movements to cities, that were prepared for a smaller number of inhabitants, which caused social and economic problems and was, most likely, the source of religious issues (we refer to the fundamentalism that presented many times as a support to the needy populations and determined their adherence to new values).
4 Sector we have already seen has assumed great importance in post-independence Tunisia.
investment in the country, as they were unwilling to invest in an unstable environment, which led to an economic recession in 2011 and a high youth unemployment rate (around 18.9%), as well as weak economic growth in 2012 (Stiftung, 2014). In short, the economic situation has deteriorated significantly and has meant recourse to international authorities.

Monetary aids from the International Monetary Fund5, the World Bank, the US Millennium Challenge Corporation and the European Union played a crucial role in achieving financial stabilization in Tunisia. In addition to sending observers to participate and assist in the electoral process, the EU also provided financial support of around € 240 million (Luz, 2014).

We should mention that Tunisia’s economic structure sustained by an almost rigid economic structure not changed by the international agreements which it had to sign. Tunisia’s economic structure is currently characterized by a strong service sector (over 60% of GDP6), particularly the rapidly developing information and communication technologies sector, as well as tourism, that unfortunately has been affected by the security problems facing the country. The industrial sector represents about 30% of GDP and employs one-third of the working population. The agricultural sector accounts for about 8% of gross domestic product and employs a large portion of the working population (approximately 15%). This sector has been characterized by a high effort of modernization, with very positive impacts on the improvement of agricultural production.

While the Tunisian government is very committed to pursuing economic policies that promote economic growth, job creation and raising the standard of living of the population, contributing to inclusive growth and reducing regional disparities, economic growth is very constrained by low investor confidence and regional uncertainties. Unemployment is high (around 15% of the working population) and the current account deficit continues to widen.

The relationship between Tunisia and the European Union (EU), like Algeria, is fundamentally governed by the Euro-Mediterranean Association Agreement, signed in 1995 and in force since 1 March 1998, which establishes trade liberalization through the progressive establishment of a free trade area during a transitional period of up to 12 years. Negotiations between the parties began in 2015 with a view to concluding a Deep and Comprehensive Free Trade Area (DCFTA) aimed at introducing a more ambitious dimension to Tunisia’s relationship with the EU. This was achieved by deepening areas such as technical regulation, competition and intellectual property, integrating new areas such as trade in services, public procurement and investment protection, with a view to the gradual integration of the Tunisian economy into the Single European Market.

Portugal's relations with Tunisia have been more discreet compared to Algeria’s. Nevertheless, a number of sectoral instruments are being defined to facilitate bilateral relations. With the exception of energy products, according to

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5 According to Alferjani (2016), in 2013, the International Monetary Fund (IMF) approved a $ 1.75 billion loan program, about $ 1.15 billion in December 2014.
6 According to The Economist Intelligence Unit (EIU) / ViewsWire (February 24th 2016), the GNP in 2018 was around $ 52.3 billion.
7 According to AICEP, Tunisia - market data, March, 2016
Esteves, Tunisia is Portugal's second trading partner in the region, although the amount of bilateral trade remains modest. Still, the opportunities for closer economic and political rapprochement are open.

According to Esteves, "The gradual growth of the Tunisian middle class makes it possible to await their involvement in initiatives with Portuguese institutions, in the name of promoting mutual knowledge and facilitating exchanges of a diverse nature."

Concerning the international trade between Tunisia and Portugal, the average annual growth rate of Tunisia's exports between 2014-2018 was 8.1%, while the average annual growth rate of Tunisia's imports in the same period was 4.1%. The main products exported are machinery and auto parts, clothing and textile materials. According to the National Statistics Institute, Tunisia is the 37th destination of Portuguese goods and services (0.2% of export quota) and the 51st supplier of Portugal (0.1% of import quota).³

**Algeria**

Within the African continent's economy, Algeria is the fourth largest, after Nigeria, Egypt and South Africa. It has a Gross Domestic Product (GNP) of about US $ 164.8 billion, with over 41 million inhabitants, of which about 70% is urban population and only 30% is rural population.⁴ The main economic centres are in the northern region, where most of the population is concentrated. In terms of economic structure, the service sector is the largest, contributing about 50.9% of GDP, followed by the industrial sector with about 36.2%. The main economic centre is the capital city of Algiers.

The Algerian economic structure is little diversified and subject to strong state control, with the hydrocarbon sector (oil and gas) accounting for about half of national GDP and constituting over 95% of the country's exports. It is thus responsible for much of the state's tax revenue. Petroleum revenues have been at the base of the growth of the Algerian economy, enabling the support of public investment policies in various sectors, as well as the subsidization of imports and consumption.

Algeria's economy is still characterized by a high level of unemployment, which particularly affects the young population. According to World Bank estimates, the unemployment rate reached 10.5% in 2016. Algeria's economy grew by 2.3% in 2018 compared with a 1.4% increase in 2017, according to preliminary data from the country's Ministry of Finance published by the Algerian news

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³In 2017, Tunisia exported goods worth US $ 15.0 billion. The main group of goods exported by Tunisia was machinery and electrical appliances, with a share of 28.4%. In the 2nd position, at a considerable distance, was the clothing group except knitwear, with a share of 11.3%. The remaining products exported by Tunisia registered, in 2017, shares below 8.0%. In 2017, Tunisia imported goods worth USD 20.6 billion. The main groups of imported products consisted of: electrical machines and devices (14.1% of the total), mineral fuels (13.0%), and mechanical machines and equipment (9.4%). The remaining products imported by Tunisia, in 2017, registered weights below 8.0%.

⁴Data according to World Development Indicators database; World Bank; 28 April 2017.
Algeria's relationship with the European Union is fundamentally governed by the Euro-Mediterranean Association Agreement, signed on 22 April 2002 and in force since 1 September 2005, which establishes reciprocal trade liberalization, through the progressive establishment of a free trade area over a transitional period of up to 12 years (European Commission Trade Agreements). Algeria is gradually adopting measures to open international trade and trade liberalization. This commitment was reinforced and enshrined in the new Constitution ratified in 2016.

For Portugal, Algeria has been a central country in the field of energy strategy, essentially in the area of energetic supply (natural gas) through the Maghreb-Europe gas pipeline. The increased liquidity resulting from the commercialization of hydrocarbons\textsuperscript{10} by Algeria is a starting point for a broader relationship, highlighting the Treaty of Friendship, Good Neighbourhood and Cooperation, signed in 2005 and complemented by a set of sectoral diplomas that create the conditions necessary for a full bilateral relationship.

Even so, the limited network of non-state contacts, resulting in the scarcity of informal links that create trust, seems to be a current constraint that, although weakened by the occurrence of the Arab Spring in this country, still inhibits Portugal and Algeria from an economic relationship of trust and a deeper political relationship.

Due mainly to imports of mineral fuels, the trade balance of goods between Portugal and Algeria has, in recent years, been unfavorable to Portugal, although this position has reversed in 2013, and in 2014 it was verified again. Thus, exports in 2013 to Algeria added up to 527.4 million euros, and imports registered a value of 400.7 million euros, which translated into a positive balance of 126.7 million euros. In 2014, the figures showed a reversal of the situation, with exports reaching 457.9 million euros and imports of 537.4 million euros, resulting in a negative balance of 79.5 million euros.

Portugal's exports to Algeria are mainly composed of base metals (47.7%), minerals and ores (19.9%), machinery and apparatus (15.9%), cellulose pulp and paper (5%), plastics and rubber (3.1%) and chemicals (1.3%). As for imports, by product groups, they were made up of mineral fuels (94.1%), chemicals (5%), hides and leather (0.4%), base metals (0.3%), minerals and ores (0.1%) and wood and cork (0.1%).

Recently, the panorama of international trade between Portugal and Algeria has not undergone many oscillations. Thus, exports of goods from Portugal to Algeria decreased by 16.6%, while imports increased by 12.7% to 410.3 million euros, according to data from the National Statistics Institute (INE), at the end of 2019. According to INE, the trade balance is negative for Lisbon by 237.2 million euros. Last year, exports of Portuguese goods to Algeria amounted to 281.5 million euros, a year-on-year decrease of 4.7%, while imports increased 35% to 424.6 million euros.

\textsuperscript{10}Algeria is Portugal's 14th supplier (97% of its exports to Portugal are hydrocarbons) but it is only the 28th customer of national production - in AICEP, Algeria - market data sheet, May 2017.
Last year, Algeria was the 26th customer and supplier in Portugal, while Lisbon was the ninth customer and the 25th supplier in Algiers. In 2018, according to data from INE, there were 376 Portuguese companies exporting to Algeria, 36 less than a year earlier. In 2014, there were 449 registered exporters.

Currently, paper and cardboard are the most sold products to Algeria, while oil and gas are the main products imported by Lisbon to that country. Total exports of goods and services from Portugal to Algeria last year totaled 193.4 million euros, a decrease of 30.6% over the previous year. Imports of goods and services increased by 40.1% in 2018, compared to 2017, to 650.8 million euros, which represents a negative trade balance for Lisbon of 457.5 million euros.11

**Political and Social Evolution**

**Tunisia**

The “Arab Spring” began in 2011 in Tunisia and its transition process to democracy began with elections, held in October of that same year. It is important to point out that many conditions were established to the candidate lists: the inclusion of at least one person younger than thirty years old in every list (in recognition of the importance of youth during the revolution), as well as a requirement that the lists included men and women. In addition, people who had served in the last regime could not apply to the lists. This election gave place to a Parliament with legislative and constitutional powers.

The Tunisian Constitution was adopted in January of 2014 by a majority of 200 deputies, with 12 votes against and 4 abstentions. It is important to note that the classic Islamic law does not recognize the concept of the Constitution but, despite that, the Islamic party took place in its elaboration and had the chance of defending their point of view on society. That fact, that is, the participation of the Islamic groups as parties in the elections demonstrates their capacity of making concessions and their acceptance of democratic rules. In Tunisia, Ennahda made important concessions in relation to Sharia law and the Constitution was adopted based on a vast consensus and national dialogue. Ennahda has granted the oppositions on matters like the protection of women rights and the freedom of speech and religion. It is important to remember that Tunisia successfully made parliamentary and presidential elections and has had a coalition government, after a peaceful power transfer.

The negotiation of the Tunisian Constitution represents an example of the elaboration process of a Constitution and of conflict resolution, despite having

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11According to the INE (National Statistics Institute), purchases of crude petroleum oils or bituminous minerals increased 35.8% in 2018, compared to 2017, to 345 million euros, representing 81.2% of total imports in that period under review. In turn, exports of paper and cardboard, with a weight of 14.3% in total, decreased 16.8% in 2018, to 40.4 million euros, followed by sales of equipment for the treatment of materials by temperature change operations, among others, decreased 9.8% (weight 9.4%), to 26.6 million euros.
contradictory standards that are being implemented and that have to be interpreted by politicians under judicial review.

Algeria

Since the 1990s, Algeria’s main characteristic, politically wise, was its stability, extremely important given that many countries of this region faced disturbances, and even wars, during this period. These years were marked by President Bouteflika’s actions, whose disease is related to what happened in Algeria in early 2019. We should also add that the President wanted to run for a fifth term of office, which meant undertaking yet another Constitutional review. These two aspects lead to the beginning of rallies on the 22nd of February. Rallies, held every Friday for six weeks, allowed millions of people on the streets to see the destitution of President Bouteflika.

At the beginning of the year, no one could have guessed the transformation that was to come. Moreover, the opposition to a fifth run for the mandate was expected to be made up of a few activists and political counterparts. This, however, was not the case, and Bouteflika finally resigned on April 2nd. This day marks the end of a political order but has not yet lead to a democratic transition. A fact that isn’t strange if one thinks about the establishment of a Constitution that set the “ultra-presidentialist” regime, in 2016.

These changes occurred mainly due to these two causes: the President’s illness and the rising power of the FCE (Business Leaders Forum) which, founded in 2004, gained importance over the Government and helped with the fall of the Prime Minister three months after he was nominated. Despite President Bouteflika’s efforts, who delayed the presidential elections and dissolved the Commission, in order to revise them, his actions revealed his autocratic personality and were considered unconstitutional.

Despite keeping their stability, security-wise, this was only possible due to heavy border and security control, as well as cooperation politics with neighbouring countries. This, however, hasn’t stopped Algeria from suffering consubstantiated non-military vulnerabilities, such as drug apprehension issues, financial crimes and corruption networks, which revealed themselves not only as a threat to national security but to the regime itself.

Still, another cause must be considered: the economical aspect that favoured the Arab Spring. Since 2014, financial difficulties were observed, due to oil’s price collapse. This led to drastic changes, like import reduction and rationing of expenses. For this, unpopular measures had to be taken (the increase in energy prices, for example). These politics’ results, that tend to attract circulating money towards the banking systems, led to the elimination of subsidy policy.

None of these measures was enough to stabilize the balance of payments or to keep the external deficit from rising. To this, we must add the maintenance of the redistributive system that, in social transfers, represented 8% of GDP in 2018, in comparison with 14% in 2015.

The situation, inescapably, brought consequences at a social level, despite the government’s efforts to satisfy certain social groups (for example, women’s status...
improved significantly with the criminalization of domestic violence, the civil
code reform and the establishment of female quotas in future elections).

Algeria’s “Arab Spring”, which is under effect in the current year of 2019 and
has led to their president’s resignation, is the result of the rejection of Bouteflika’s
project. The success in transitioning to a democratic model will come from
negotiations, as to ensure that the Arab Spring is not a subset that may be affected
by economic and security issues. Other hitches, however, may arise and lead to an
unsuccessful revolution: the use of violence, the radicalization of claims and
ideological divisions, all issues that could be seen in previous Arab revolutions, of
which the most memorable is Egypt.

In legal terms, much remains to be done, as a new Constitution will have to be
drafted. This work will largely depend on the new President, whose elections are
scheduled for December and who is expected to be a driver of the necessary
reforms.

Conclusion

It should be noted that although the private sector is beginning to assume
some economic and commercial relevance. The privatization of some non-
strategic companies and the implementation of reforms, possibly resulting from
the emancipation of the Arab Spring, make the Algerian Government the main
driver of the controlling economy of top industries, especially in the hydrocarbon
and energy sector. The preponderance of the oil and gas sector in the Algerian
economy, which has subjected the country to volatile international commodity
prices, has allowed Algeria to sustain a relatively stable pace of growth in recent
years. Nevertheless, in order to reduce the country’s vulnerability to international
oil prices and to develop economically sustainable foundations, the main challenge
for the Government of Algeria is the relaunching of sectors outside the oil industry
(particularly through strengthening the private sector), in order to increase
domestic supply (thus limiting the value of imports), diversify exports and reduce
unemployment.

The opportunities are many and in almost all sectors, with regard to business
opportunities with Algeria, given the challenges that the economy presents and the
investment plan for the coming years. In the industrial area, opportunities are
centered on leather and footwear, textiles, electronics, pharmaceuticals, wood and
furniture, metal constructions, electrical cables, ceramics and coatings,
construction materials, cement, steel products and tobacco and matches. Also
noteworthy for civil construction, agriculture, energy, health, information and
communication technologies and tourism. It is, as can be seen, a set of
opportunities for Portuguese companies and, if properly exploited, they can make
a very important contribution to international trade and, in particular, to balance
Portugal’s current account with Algeria.

In Tunisia, the Government is committed to pursuing prudent macroeconomic
policies and stimulating an ambitious structural reform program, which should be
supported by the International Monetary Fund (IMF). However, Libya’s openness
to the international system and Algeria's own stabilization are likely to remove some of Tunisia's regional importance and may have an impact on its economic growth.

The Tunisian regime has been betting on political stabilization as a condition for economic progress, but it lacks, in the eyes of many of its European partners, the greater capacity for self-renewal of the political elite (Esteves, N/A).

The Economist Intelligence Unit (EIU) sees that, although in 2018 and 2019 the Tunisian economy performed moderately (in 2018 by around 2.5% and in 2019 by 1.8%), from 2021 a strong recovery is expected economic growth, catalyzed by the growth of tourism and the exploitation of natural gas.

In social political terms, doubts remain about the evolution of the countries under analysis. Indeed, Tunisia already has several years of «Arab Spring», except that it had previously been much more open to the West (for example, through tourism). Has it really changed? Is it a Western-type democracy?

With regard to Algeria, the «Arab Spring» began in 2019. The results of the elections held in December led to the presidency of a person close to the previous president. Hence, it is legitimate to question the veracity of the movement towards the democratization of the regime. Is it just the beginning of a transition? Or are we facing a reform in continuity?

Regarding the two countries, it will always be asked whether: democracy, human rights and Western values are compatible with Islam (religion that both profess)?

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ISSue Report nº 22 February 2015


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