



n°23, mars 2010

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Discipline and reform – II

REFORMS IN PERPETUITY: THE SUCCESS OF REFORMISM

Support for Tunisian modes of government, therefore, cannot allow us to neglect the effects of internal domination, nor the element of coercion. If we interpret these reforms, from a technical point of view, as a transformation of public policies and modes of government aimed at abolishing precisely identified failings, we can only acknowledge the failure of such reforms, which remain perpetually on the agenda. Have not people been talking about the reform of the tax system Tunisia ever since the middle of the 19th century and right up to the present day? Or about the burden of debt and the restructuring of the financial system? About the dependency of the productive system and its need to adapt and catch up? About the need for modernisation? About reform as a response to crisis and decline? And about the inability of reforms to face up to these challenges, in particular those that come from outside? Are these failures not repeatedly analysed in terms of external constraint, of resistance on the part of the people and the archaism of the elites – yesterday the ulemas, today the economic and political bourgeoisies?

On the other hand, if we view reformism as a mode of government and a process of subjection, then the recurrent nature of the reforms – which Mohamed Tozy has described as ‘reforms without change’ in connection with Morocco, and which might be paraphrased in

connection with the ‘Tunisia of Ben Ali’ as a ‘change without reforms’¹ – cannot be seen merely as a ‘failure’. Or, to be more precise, the ‘failure’ of reforms can be understood as an effect of power, with the succession of cycles made up of reforms, the realisation that they have failed, the persistence of the problems and new reforms needing to be analysed as a whole².

Reforms are not solely synonyms for the project of modernisation; they are not simply a form of social behaviour determined by a certain ethic, for example solidarity or modern Islam; their main object is not to acquire increased respect for the rule of law, the improvement of market mechanisms, an increase in the competitiveness of the economy, or the guarantee of a securer income for the State... Perpetual reform makes the exercise of power possible. Reformism is thus a mode of control that ‘implies an uninterrupted and constant coercion, which watches over the process of the activity rather than its result’³. It is for this precise reason that perpetual reforms can be considered as a success. Reformism is simultaneously a space of encounter and a vector of discipline, of social control, of the normalisation of individuals. This is what I would now like to show concretely, starting with two examples: privatisation and the upgrading of enterprises.

Privatisation softly softly, or how to defend ‘Tunisian-ness’

The development and conditions of privatisation constitute, without the slightest doubt, one of the activities for which it is the most difficult to obtain information and to discover with any minimum of precision how far the process has actually advanced. In Tunisia, there is no detailed evaluation of the public sector. Of course, decrees and laws define public enterprises but, on the one hand, the definitions of what is considered as public vary over time and, on the other, no exhaustive and definitive list of enterprises that are totally or partly public has ever been published⁴. As it has been presented officially, for example on the government’s website, the portfolio of the State does not correspond to the information provided by the laws that

¹ M. Tozy, ‘Représentation/intercessions: les enjeux de pouvoir dans les champs politiques désamorçés au Maroc’, in M. Camau (ed.), *Changements politiques au Maghreb. Annuaire de l’Afrique du Nord* (Paris: CNRS, 1989), pp. 153-168.

² As the reader will see, I have drawn on the problematisation proposed by Michel Foucault for the reform of prisons (see the end of *Discipline and Punish: the Birth of the Prison*, tr. by Alan Sheridan, Harmondsworth: Penguin, 1999).

³ *Ibid.*, p. 282

⁴ See the decrees and the laws on the website or in the documentation of the privatisation unit, especially law 98-9 of 1st February 1989 which fixes the legal foundations for public enterprises and profit-sharing. On this instability of definitions and data, see P.-D. Pelletreau, ‘Private sector development through public sector restructuring? The cases of the Gafsa Phosphate Company and the Chemical Group’, in W.I. Zartman (ed.), *Tunisia: Political Economy of Reform*, pp. 129-41, and R. Zghal, ‘Le développement participatoire, participation et monde du travail en Tunisie’, in D. Guerraoui and X. Richet (eds), *Stratégies de privatisation. Comparaison Maghreb-Europe* (Paris; Casablanca; L’Harmattan, Toubkal: 1995), pp. 205-229.

regulate the supervision of semipublic entities. From one year to the next there circulate lists (always different) of enterprises to privatise, but they are always partial and restricted.

According to the IMF, in 2001 there were still at least 120 public enterprises in all sectors of the economy, representing a fifth of the total added value of the country. Even the Bretton Woods institution emphasizes mainly the lack of information given by the authorities and their inadequacy when it comes to reaching any precise evaluation of the public sector: it is still extremely difficult to gain any accurate idea of all the enterprises subjected to the State's direct control or to non-commercial considerations, with several of them being classified in the private sector⁵. According to European experts, the number of enterprises to be privatised is even higher, mainly due to the complexity of cross-over shares and the financial arrangements of the periods of socialism (1960-1969) and even more of the period of interventionist liberalism (1969-1987)⁶, but also of current liberalisation: takeovers and mergers, restructurings and the presence of supplementary functions, stock transfer in joint ventures and the failure of privatisations in the Stock Exchange do not enable us to identify with any certainty these holdings, especially in the financial and tourist sectors⁷.

An attempt at evaluation: the weakness of foreign investors

Some information is provided by the Tunisian authorities but these data, highly sensitive politically, should be used with extreme caution. I will not go over in detail the various techniques of opacity that I have analysed elsewhere⁸: modification of the base of the calculation, systematic neglect, over-general and truncated information, confusion between forecasts and eventual figures, and the lack of systematic information, with some of it being published in percentages, others in absolute values, etc. The only thing certain here is that this opacity concerns the process of privatisation as much as the result and the monitoring of the privatised enterprises. In this latter case, for example, from one year to the next, the sample of enterprises investigated is not the same, and so it is difficult to draw up a balance sheet for a given period⁹. As far as the holdings of foreigners are concerned, information is presented in

⁵ R. Zghal, 'Le développement participatoire, participation et monde du travail en Tunisie', op. cit., and A. Grissa, 'The Tunisian state enterprises and privatization policy', in W.-I. Zartman (ed.), *Tunisia: Political Economy of Reform*, pp. 109-127, which in particular mentions the objectives of job creation, income redistribution, town and country planning, and the control of the economy, among the aims and objectives of businesses (see especially p. 114).

⁶ On these two periods, see A. Grissa, 'The Tunisian state enterprises', op. cit.

⁷ Interviews, Tunis, December 2001 and December 2002. See also P.-D. Pelletreau, 'Private sector development', op. cit.

⁸ B. Hibou, 'Political economy of the World Bank's discourse. From economic catechism to missionary deeds and misdeeds', *Les Etudes du CERI*, no. 39, January 2000 (translated by Janet Roitman).

⁹ Interview, Tunis, December 2003.

the form most favourable to the donors who urge the public powers to deepen the process, mentioning the sums brought in and not the number of operations. This presentation conceals the marginal nature of direct foreign investments, contrary to the discourse on the openness and attractiveness of Tunisia. As for the names of buyers and the exact amount of each operation, they were inaccessible until 1998. Since that date, certain information has been published. If the sums collected by the State are now systematically provided, the same does not go for the quality of the buyers: in the list made public by the Tunisian authorities, the buyer is often indicated in terms of proprietor... 'various Tunisian buyers', 'several individual Tunisian entities' or 'various purchasers'!¹⁰ These difficulties in gaining access to detailed and coherent information are not the monopoly of independent university researchers alone, but concern donors just as much¹¹.

Between 1987 and 30 April 2004, 176 enterprises, it appears, were privatised and restructured for a total sum of 2,359 MDT. These operations were mainly privatisations either total (53%) or partial (18%), and liquidations (22%), with the opening of capital by public share offer concerning only 6% of operations and the concessions just 1%¹². Until 1997, 79 enterprises were privatised with no public information being given, for a value of 455 MDT, i.e. 5.76 MDT per enterprise. These figures are not published and I have calculated them by subtraction¹³: by showing the very low value of the sale of the first privatisations, they are, indeed, in a position to open up a forbidden debate. The official explanation, which can be found on the government's website, is that until 1994 the privatisations mainly concerned enterprises that were showing a loss. But one can justifiably doubt this. How can one explain the low level, too, of the income drawn from the privatisation of surplus enterprises between 1994 and 1998? How, in particular, can one explain the adoption of this strange strategy that consists in starting with the least attractive?

With more certainty, this low level may be explained first of all by privatisations that might be described as 'cosmetic', since they have mainly given rise to re-namings or

¹⁰ See the governments' website (www.tunisieinfo.com/privatisation) and the official brochures.

¹¹ In nine years' research in Tunisia, I have never been able to obtain a single meeting at the Secretariat of State for Privatisation or the Technical Committee for Privatisation, in spite of repeated requests – as opposed to the Agency for the Promotion of Investments and, in particular, the Office for Upgrading.

¹² All the quantitative data indicated in the following paragraphs are supplied, unless indicated to the contrary, by IMF, *Tunisia, Staff Report for 2000 Article IV Consultation*, IMF, Washington, D.C., 19 January 2001, and in particular the official website (www.tunisieinfo.com/privatisation) and various evaluative reports of the unit supporting the privatisation programme financed by the European Union in the framework of the MEDA.

¹³ 176 enterprises privatised for a sum of 2,359 MDT for the whole of the period, and 97 enterprises privatised between 1998 and 2004 for a sum of 1,904 MDT.

re-descriptions¹⁴. The desire to privilege national actors, and more precisely certain of them, then becomes evident: the official site provides more accurate data only after 1998, the year which corresponds to a certain openness to foreigners – and even here we need to note that certain operations do not mention the name of the privatised business. Quite unlike current practices in developing countries, in particular in the Maghreb¹⁵, until 1998 practically no public enterprise was sold off to non-Tunisian private groups. The latter were not, of course, formally excluded from the competition, but they were rapidly discouraged by administrative blockages that they encountered, or by the inadequacy of guarantees and information necessary for them to become properly involved¹⁶.

However, after that date, the cement industry and then other sectors opened up to foreign interests, mainly as an effect of financial constraint and the State's need for currency. As a result, foreign investment seems to represent, for the period as a whole, nearly 82% of the income from privatisation in industry and 74% in services. These data justify the satisfaction of the Tunisian authorities and the donors in terms of openness. A comparison of these overall figures with the detail of operations, however, gives us a much more ambiguous picture of the situation: the 82% of the industry are obtained almost exclusively from the privatisation of four cement factories¹⁷ – which brought in 771 of the 782 MDT in the industrial sector – and the 74% in the services come essentially from 2 operations that provided 788 MDT out of the 973 MDT of the sector – the transfer of the second GSM licence and the 52% privatisation of the UIB. So, in reality – contrary to appearances – the foreign beneficiaries of Tunisian privatisations are still very few in number: out of 176 privatisations, 4 have benefited foreigners associated with nationals, and 15 have benefited foreigners alone – not to mention the fact that these operations sometimes concerned only partial sell-offs. In other words, hardly 10% of operations benefited foreigners, even if the latter brought in over three quarters of the total income from privatisation¹⁸.

¹⁴ On this first period, A. Grissa ('The Tunisian state enterprises') mentions the fact that the change in the percentage of State participation in the qualification of public enterprises, a percentage that rose from 10% to 34% in 1985 and to 50% in 1989, made it possible to eliminate from the sector around a third of the businesses.

¹⁵ B. Hibou, 'Les enjeux de l'ouverture au Maroc: dissidence économique et contrôle politique', *Les Etudes du CERI*, no. 15, April 1996, and C. Khosrowshahi, 'Privatisation in Morocco: politics of development', *Middle East Journal*, vol. 51, no. 2, Spring 1997, pp. 242-255.

¹⁶ Interviews, Tunis, January 1999 and July 2000; Paris, June 2000; Lisbon, January-February 2000 and March-April 2001.

¹⁷ The Société de Ciment d'Enfidah was sold to Uniland (Spain), the Société de Ciment Jebel Ouest to CIMPOR (Portugal), the Société de Ciment de Gabès to SECIL (Portugal) and Ciment Artificiel Tunisien to the Colacem group (Italy).

¹⁸ Source: personal calculations based on a comparison between the different figures quoted above. It is worth noting that this information is not published as such, and that one needs to carry out a lot of work and to have considerable determination to reach this result. For example, the table on the division of the incomings from privatisation by sectors of activity mentions the number of enterprises concerned, while the table on the proportion of foreign investments does not mention the incomings by sector, and hides the number of enterprises concerned... This

The many different forms of State and bureaucratic redeployment

The State remains central because privatisation is an extremely complicated process. Procedures of liquidation, restructuring and privatisation are slow to achieve concrete shape, due to the many different institutions and State actors concerned and the historically contingent character of the holdings¹⁹. The laws passed in domains as diverse as taxation, personnel management and land questions are sometimes contradictory. The number of operations necessary for a privatisation is also to be explained by social reasons (the need to maintain conditions of employment) and by political reasons (the need to control capital)²⁰.

The very conception of the process of privatisation illustrates the extent to which Tunisian state control is deeply rooted: the carrying out of the transfer is realised by specialised public organisations – the Comité d’assainissement et de restructuration des entreprises à participation publique (the CAREPP – Committee for Improving and Restructuring Enterprises with Public Holdings) or the Comité technique de privatisation (CTP – Technical Committee for Privatisation), depending on the extent of privatisation and its degree of sensitivity. In particular, the terms of restructuring are broadly defined by the public enterprise undergoing privatisation. In a situation of flagrant conflict of interests (i.e. in a completely subjective situation), and sometimes in a state of total juridical and technical incompetence, the latter itself defines the strategy of privatisation of which it is to be the object and the obligations imposed on the buyer. According to the follow-up inquiries on privatisation, almost half the privatised enterprises have run into difficulties in following the terms and conditions, in particular due to land problems, or fiscal and social problems that were not resolved before privatisation, and as a result, too, of the imprecision of information provided by the public enterprise before the sell-off, for example on the equipment – often non-standard, or even old-fashioned and obsolete – and even the status of the workforce²¹.

unpublished information makes it possible to deduce the sensitivities of the Tunisian authorities, on this question as on others.

¹⁹ The Prime Minister’s office – before 2002 the Ministry of Economic Development – and its overall management, the DGPV; the CAREPP, Comité d’assainissement et de restructuration des entreprises à participation publique (Committee for the Improvement and Restructuring of Public Participation Enterprises); the Secretariat of State for Privatisation and the CTP, Comité technique de privatisation; the various restricted ministerial councils that meet for this purpose; the enterprises to be privatised; and the representatives of the ministries, departments and public organizations concerned.

²⁰ For the 176 privatisations completed up until the end of 2005, 362 distinct operations have been necessary.

²¹ In particular the Direction générale des privatisations, ‘Enquête de suivi des entreprises privatisées’, *Manuel de procédures*, cahier no. 4, 2000-2001.

The impossibility of seeing the State withdraw from the economy is also demonstrated by all those ‘false’ or very partial privatisations²²: the operation sometimes leads to better management, sometimes to budgetary income, or even to improvements in the statistics, but always to the maintenance of a control of these enterprises by public bodies. This was the case with the Compagnie de phosphate de Gafsa, the Groupe chimique, or the Banque du Sud, up until 2005. This was the case, also, with those companies of whose capital just 20%, 5% and even 2.3% is transferred, in particular in tourism but also in the electronics, machine and chemical industries. State control is still exercised even after privatisation, via administrative interventions, in particular by the head office for fiscal controls and the CNSS. According to rumour, but also according to the same follow-up reports on privatised enterprises, many of these recently privatised enterprises have been subjected to a fiscal or social control, over a period prior to privatisation²³.

In the rare cases where the buyer is a foreigner, State intervention is perpetuated by at least four procedures: the presence of a Tunisian partner for the foreign buyer, who is usually linked to the State bureaucracy or the central power; the somewhat restrictive terms and conditions in the social domain; regulating of the national market (price, regulations, norms, and import conditions); the presence, in especial, of at least one enterprise in the sector which remains within the State fold and to some extent acts as a Trojan horse for the government. The Gabès cemetery, situated in the south of the country, a region deemed to be a political as well as a social ‘hotspot’, is one example. But a systematic analysis of Tunisian State control cannot fail to reveal the permanence of the interventions requested by the buyers (legal entities or natural persons) from the State, in terms of banking facilities, tax exemptions, or other advantages or privileges that enable there to be a monopoly, a lesser degree of competition, or protection from foreigners: the formula ‘let us get on with it, but give us plenty of protection’ of French manufacturers of the 18th century, addressed to the administrative authorities of the day, can be applied with magnificent relevance to Tunisian entrepreneurs²⁴. All these tendencies are accentuated by the new bureaucratic independence of the administrative bodies placed in

²² See P.-D. Pelletreau, ‘Private sector development through public sector restructuring?’ For the textile industry, Mission économique et financière de l’ambassade de France à Tunis, *Le Secteur textile-habillement*, résumé, September 2004.

²³ *Manuel de procédures*, cahier no. 4: the survey mentions that 50% of the enterprises complained at this interference that was judged to be untimely and unfair. It is not possible to treat this proportion with any confidence, given the fact that the sample is too small to be statistically significant, but we can probably still deduce that this interventionism is neither marginal nor anodyne. Direction générale des privatisations, ‘Enquête de suivi des entreprises privatisées’, *Manuel de procédures*, op. cit.

²⁴ Quoted and analysed by P. Minard, *La Fortune du colbertisme. Etat et industrie dans la France des Lumières* (Paris: Fayard, 1998).

charge of privatisation – an independence frequently encouraged by donors. As a result, it would probably be correct to describe the process as a bureaucratisation of privatisation.

The objective of job protection is shared by the administration and by the formal or informal structures linked to the central power. Unemployment is analysed as the principal vector of instability, disorder and protest. It matters little whether the desire to limit unemployment be motivated by social, economic, political, security, or even party-political reasons. The main thing is that this preoccupation chimes in with the worries of Tunisians, and echoes the demands of the trade union world and the employees, of course – but also echoes the expectations of certain segments of the business world, the bankers' prudence, and sometimes even the opportunism of the buyers who, though unmoved by altruistic considerations, aim to put themselves into the good books of the authorities while still being able to justify any potential by-passing of market rules or the demands laid down in the terms and conditions, for example in terms of conditions of investment, modernisation, the suppression of protectionist barriers, or the lowering of prices.

These occasional convergences do not eliminate the tensions between the different groups. In spite of the muzzling of the world of trade unions and associations, the UGTT does not hesitate to use its weight to sound the alarm about delicate situations²⁵, notably ever since it has faced competition in this area by more independent actors who support strikers and circulate petitions. The government's discourse asserting that the privatisations have had a positive impact on employment needs to be understood within this context: it tries to act as a counterweight – apparently without much success – to developments that affect people much more intensely, in particular to irregular layoffs (in Moknine and Ben Arous, for example) and the hunger strikes that followed them, or to the rise of jobs that are insecure, casual, and temporary²⁶. The attention paid to the social realm explains the slowness and timidity of the traditional forms of sales of assets. On the other hand, creeping privatisation, on the margins of public policies and thus of official rhetoric, is now occurring in several sectors²⁷. The simultaneous nature of these processes demonstrates the complexity of the role of the State,

²⁵ These alerts are transmitted by the traditional political channels and by more scientific publications. See for example UGTT, *Le Secteur textile-habillement en Tunisie*, op. cit., and the ongoing UGTT study, *Démocratie, développement et dialogue social*, organised by the UGTT in Tunis, November 2004.

²⁶ Interviews, Tunis, December 2002 and December 2003, and the follow-up study on privatised enterprises in 2000-2001. See also S. Khiari, *Tunisie, le délitement de la cité. Coercition, consentement, résistance* (Paris: Karthala, 2003); H. Fehri, 'Economie politique de la réforme: de la tyrannie du statu quo à l'ajustement structurel', *Annales d'économie et de gestion*, vol. 5, no. 10, March 1998; A. Bédoui, 'Spécificités et limites du modèle de développement tunisien', a paper presented at the colloquium *Démocratie, développement et dialogue social*, op. cit., and UGTT, *Le Secteur textile-habillement*, op. cit.

²⁷ B. Hibou, 'Tunisie: le coût d'un "miracle"', *Critique internationale*, no. 4, Summer, 1999, pp. 48-56, and 'From privatising the economy to privatising the state', in B. Hibou (ed.), *Privatising the State* (London; New York: Hurst and Columbia University Press, 2004), pp. 1-46.

which must both respond to the expectations of the UGTT and employees and also take into account the fears of the great majority of Tunisian actors, pull strings to help its 'friends', focus on social stability and security, and intervene directly. It also suggests that, while it is significant and widespread, State intervention is anything but rigid: it can adapt itself to relations of force and to conflicts between actors, and even take part in the violation of rules defined by the State bureaucracy itself.

The widespread State control is also evident from the establishment of an environment simultaneously favourable to privatisations and to the pursuit of political interventionism: the circular from the BCT of 23 November 1997 authorizes the banks to grant directly to those concerned medium-term credits to finance the purchase of a controlling shareholding or of elements of assets; the SICAR (*Société d'investissement en capital à risque* – Society for Investment in Venture Capital) are encouraged to participate in privatisations; the acquirers can benefit from tax relief for revenues or profits reinvested, or from a five-year exemption from the tax on the profits of newly privatised companies. All these measures need to be understood within the framework of the ambiguous relations between the central power and the economic world. From a reading of the buyers of privatised enterprises between 1998 and 2004, it becomes clear that the privatisations are integrated into the strategy of 'dispersal' that I mentioned above. Only once do we find the same buyer involved in two operations – which in fact turn out to be liquidations rather than privatisations, with all the other enterprises being transferred to different buyers for each operation. Of course, prudence must remain the order of the day in this interpretation, given the importance of 'gaps' in the data, and the use of nominee companies. According to the sparse information I have managed to pick up from interviews, it seems that, for every operation, the central power chooses the entrepreneur to whom the privatised company will be transferred. But these chosen entrepreneurs are almost never the same, and usually they already belong to the economic community, to the traditional economic elite that developed under Bourguiba in the shadow of the State. Political distrust towards the establishing of big groups thus appears confirmed by the privatisations that did not favour operations of concentration or vertical specialisation.

This strategy of dispersal is not, however, systematic. In this well-trained and 'docile' Tunisia, alert to considerations on the critical size necessary for enterprises to be competitive, and perhaps even attentive to more political considerations, privatisation and 'upgrading' have made it possible for the restructuring and consolidation of certain businesses to be achieved. This seems to be the case with certain well-established entrepreneurs, but also with several of those 'close' to the President who, by means of various practices (associations, intermediary

financing, bank loans, advantageous prices and conditions of purchase...) have built up a real empire for themselves. These wheeler-dealers do not, however, constitute consolidated and structured groups, insofar as they prefer to prosper as middlemen and financiers rather than as entrepreneurs properly speaking.

In the absence of information, in a climate of censorship and pressure, rumour reigns unchallenged. But everyone, including donors, agrees that privatisations have often been grabbed by those 'close to the regime', that they have been the object (as indeed in many other countries) of widespread corruption and substantial commissions, either by a more or less forced alliance with potential buyers, or by a well-rewarded intervention in favour of one of the buyers²⁸. It now seems that the presidential entourage intervenes not only in activities of predation on the big contracts, but also as intermediaries, or even shareholders in operations of privatisation and concession. This hypothesis seems to be corroborated by the fact that even donors have not been able to gain access to certain sensitive information. These businessmen are also active in land and property speculation. In fact, the operations of privatisation have made it possible for certain people to get rich quick by a system of reduced-price purchase and high-price resale. This mode of intervention could explain the low level of the sums brought in by privatisations on behalf of national companies, especially during the first years of the process.

Privatisation must not be interpreted merely as a formal process of capital transfer from the public to the private sectors. As elsewhere, more flexible and non-institutionalized formulae are used – 'creeping' privatisation, or 'unregulated', 'informal', or 'criminal' privatisation. They concern agricultural land, the development of parallel markets or the inveiglement of markets. In spite of the reschedulings of finance, the Office national des huiles (ONH), for example, experiences serious difficulties as a result mainly of unregulated liberalisation and the establishment of parallel private trading circuits which, it is said, are controlled by those close to Cartage²⁹. Also worth mentioning is the double process of privatisation of profits and the nationalisation of losses, illustrated by what happens in air transport where the public enterprise, Tunisair, experiences losses while Karthago, which belongs to private parties close to the President, is prospering thanks to the flight authorisations, one-sided maintenance

²⁸ On China, see A. Kernen, *La Chine vers l'économie du marché. Les privatisations à Shenyang* (Paris: Karthala, 2004); J.-L. Rocca, 'La corruption en Chine: une construction du politique', *Mondes en développement*, vol. 26, no. 102, 1998, pp. 95-104. On sub-Saharan Africa, B. Hibou, 'The "social capital" of the state as an agent of deception, or the ruses of economic intelligence', in J.-F. Bayart, S. Ellis and B. Hibou, *The Criminalisation of the State in Africa* (Oxford: The International African Institute in Association with J. Currey, 1999); W. Reno, 'Old brigades, money bags, new breeds, or the ironies of reform in Nigeria', *Canadian Journal of African Studies*, vol. 27, no. 1, 1993, pp. 66-87, and 'Ironies of post-cold war structural adjustment in Sierra Leone', *Review of African Political Economy*, vol. 23, no. 67, March 1996, pp. 7-18.

²⁹ Interviews, January 1999 and July 2000

contracts with Tunisair, and a whole series of advantages that mean that its costs are carried over to the public enterprise³⁰, and thanks, as well, to the administration's tolerance of concrete modes of operation and the non-respect of European norms³¹.

Without underestimating these phenomena, which are by nature impossible to quantify, the fact remains that this tendency is doubtless less clearly marked here than in many other countries: Tunisia is still a country of State control, and the favoured techniques of government are still mainly regulation and direct control. Corruption is now integrated into the modes of government, but it does not comprise its main instrument: far from it.

Rejection of outside vantage points, adoption of a global lexicon

The rejection of any external gaze needs to be understood in the very particular context of national-liberalism and the defence of Tunisian-ness. The failure of the programme of technical assistance from the European Union and the early departure from Tunisia of the team of aid workers sent to implement it are a perfect illustration of this almost paranoid behaviour³². From the middle of the 1990s, the European Union negotiated with Tunisia to send a team of experts to speed up and improve the process of privatisation, at the heart of the liberal reforms that it supported. An agreement was finally signed between the two parties in 1998, but the consortium chosen, ICEA/GOPA/COMETE, was unable to fulfil its mission before 2001. After a whole series of conflicts, as demonstrated in particular by the stopping of the consortium's payment in May 2003, the Tunisian party demanded the early departure of the experts. In fact, the cell providing aid for privatisations, financed within the framework of the MEDA funds, never managed to integrate itself into the country's structures. The political authorities did not want any part of it and, in these circumstances, the administration did nothing to receive a technical assistance for which it was, in any case, not prepared.

This failure can certainly be explained by mutual rigidity and incompatibilities between personalities, or indeed errors in targeting: the cell's mission and the composition of its members were in fact turned towards aid in the methodology and techniques of privatisation, its monitoring, follow-up and major operations, whereas in Tunisia transfers concern only small

³⁰ Interviews, Tunis, December 2002 and December 2003, and S. Bensedrine and O. Mestiri, *L'Europe et ses despotes* (Paris: La Découverte, 2004), pp. 100-102.

³¹ As is revealed by the disaster that befell Fly Air, one of whose planes had been chartered by Karthago in August 2005. See the press articles, in particular *Le Monde*, 24 and 25 August 2005; *Le Figaro*, 23, 25 and 31 August 2005.

³² Convention on financing no. TU/B7-4100/IB/96/0018, signed in April 1998 between the Tunisian government and the European Commission for a sum of 10 million euros. The ICEA/GOPA/COMETE consortium was in theory supposed to bring its mission to an end in March 2004, but an amendment to the contract, signed in May 2002, took into account the delays in its take-off and made it possible for the project to be completed. These arrangements ultimately had no impact, since the project was abandoned in anticipation of future difficulties. Source: interviews, Tunis, December 2003.

enterprises, and the authorities never envisaged any modification of their modes of privatisation. The cell was the object of a misunderstanding that hampered things severely: the Europeans thought they could improve the current process while gaining access to information; in this way they thought they could contribute to the perpetuation (within an entirely bureaucratic logic) of a success story that was all the more useful to them in that the Euro-Mediterranean Partnership was severely criticised. The Tunisians saw this project as a means of satisfying the Europeans easily, and thus of improving relations with them, of obtaining material and, secondarily, ‘*de luxe* secretaries’ to manage an important proportion of European aid³³. In fact, the cell was allocated to the Direction générale de la privatisation, a non-sovereign entity acting first and foremost as a registration body, and not to the only entities able to take decisions, namely the CAREPP, the Presidency (core cabinet meetings) or the enterprises to be privatised. Contrary to what had been programmed, the members of the cell never had any Tunisian counterparts assigned to them; they were never able to take part in any decisions or even to discuss matters with the CAREPP, the technical committee or the State secretariat; they never managed to contact directly the enterprises to be privatised...

But in this game of hide-and-seek, the part played by the donors should not be underestimated. The failure of European technical assistance can also be explained by bureaucratic considerations and by power struggles within and between international institutions. There are many tensions between the Commission in Brussels and the European Delegation in Tunis and, within the Delegation, between European experts and civil servants or between political considerations and considerations of a technical order. The Commission and the management of the Delegation consider the MEDA funds as a political question, which leads them to instrumentalise the civil servants and, even more, the experts, and to reject their recommendations if political interests come into play or if they have the illusion that they can benefit from pulling strings. In spite of all the rhetoric on complementarity and the coordination of aid, the competition between bureaucratic organisations is, in any case, something that belongs merely to the past³⁴.

Be that as it may, the advice on privatisation was never accepted and the rejection of technical assistance was indisputably the rejection of an external gaze on the ‘black box’ of relations between various Tunisian actors. Thus, privatisations need to be analysed less in terms of the modernisation of the productive apparatus and entrepreneurial government, and more in terms of modes of government, control and surveillance. The national preference needs to be understood as the new form of expression of Tunisian-ness and, in consequence, as the new

³³ Interviews, Tunis, December 2003.

³⁴ Interviews, Brussels, May 2002; Tunis, December 2003 and January 2005; Paris, August 2004.

mode of management of extraversion. Without passing any judgement of value on this expression of nationalism, we can simply highlight the primacy of this dimension over all the others, in particular over the desire for modernisation. We can doubtless explain the significance of these sentiments by reference to the retrospective interpretation of the penetration of French capitalism as an instrument of the political domination of the coloniser. Even these days, this interpretation of a causal relation between reformism and imperialism, which dominates Tunisian historiography, imbues the whole Tunisian *imaginaire*.

Indisputably, 19th-century reformism went hand in hand with European imperialism; the colonisation of Tunisia was not the result merely of debt and a failure to pay³⁵, it was also and perhaps above all the result of the penetration of French economic and financial capitalism, including through concessions³⁶. That of the Dakhlet-Jendouba railway line is still interpreted in those terms: ‘The “Bône-Guelma” [i.e. the railway company of that name] was merely a means of opening the colonial frontier, and its network would accelerate the process of French colonisation in Tunisia. Right from the start, the concession and the construction of the Medjerba line were conceived and considered by the “Bône-Guelma” not merely as an affair that concerned the company but an affair that concerned France. The penetration of the company was exactly the same as the penetration of France and its interests into that new country of Tunisia. The task of the “Bône-Guelma” into Tunisia was often deemed by its administrators to be a “patriotic task”³⁷. In the same way, the Gafsa Company was never considered as a private colonial enterprise. It depended on charter companies which, in agreement with the colonial State, developed new socioeconomic activities and relations that were not without influence in the development of the Protectorate³⁸.

Current privatisations and concessions should also be understood in the light of this episode, or rather of the way it persists in the reformist *imaginaire*. The Tunisian authorities these days are ready to deprive themselves of the acquisition of modern knowledge, technologies and materials, of a more dynamic currency and exports, if they deem it more important to protect the pre-existing national fabric of production, to favour national

³⁵ The interpretation put forward by J. Ganiage, *Les Origines du protectorat français en Tunisie (1861-1881)* (Paris: PUF, 1959); C.-A. Julien, *L’Affaire tunisienne (1878-1881)* (Tunis: Dar el amal, 1981); A. Mahjoubi, *Etablissement du protectorat français en Tunisie* (Tunis: Publications de l’Université de Tunis, 1977).

³⁶ M.-L. Gharbi, *Impérialisme et réformisme au Maghreb. Histoire d’un chemin de fer algéro-tunisien* (Tunis: Cérès, 1994), and *Le Capital français à la traîne. Ebauche d’un réseau bancaire au Maghreb colonial (1847-1914)* (Tunis: Faculté des lettres de la Manouba, 2003); N. Dougui, *Histoire d’une grande entreprise coloniale: la Compagnie des phosphates et du chemin de fer de Gafsa, 1897-1930* (Tunis: Faculté des lettres de la Manouba, 1995); M. Kraïem, *Pouvoir colonial et mouvement national. La Tunisie des années trente*, vol. 1 (Tunis: Alif, 1990); A. Mahjoub, ‘Economie et société: la formation du “sous-développement”, l’évolution socio-économique de la Tunisie précoloniale et coloniale’, in M. Camau (ed.), *Tunisie au présent, une modernité au-dessus de tout soupçon?* (Paris: CNRS, 1987), pp. 97-117.

³⁷ M.-L. Gharbi, *Impérialisme et réformisme au Maghreb*, op. cit., p. 111.

³⁸ N. Dougui, *Histoire d’une grande entreprise coloniale*, op. cit.

companies, to maintain supervision of national economic activities, and to keep control of the political and social domains. For financial reasons and, more marginally, under pressure from donors, the total eviction of foreign entrepreneurs is, however, impossible. So the obligatory openness is conceived on the basis of a strategy of the national diversification of foreign partners. Thus, only one privatisation – admittedly strategic and certainly symbolic, since it concerns a bank – benefited the French, even though they were present in vast numbers in Tunisia and the country's first economic partners; this privatisation was, in addition, merely partial and gave rise to many vicissitudes. The other main partners met with the same treatment: three small businesses were transferred to the Italians and none to the Belgians, British or (especially) the Germans, even though the latter provided the country with most of its tourists. On the other hand, the Portuguese – considered as coming from a 'little' country and thus 'controllable' – found themselves being awarded three important operations (two cement factories and a company for processing cork), the Swiss and the Libyans were given two each (in commerce and tourism respectively), and the Egyptians benefited from an important concession (the second GSM licence).

This latter example is a perfect illustration of the principally political dimension of the privatisations. ORASCOM, whose financial difficulties and technical mediocrity were known to everyone, was given preference over Telefonica, even though the latter had put in a financial offer comparable to that of the Egyptian operator. The Tunisian operators deliberately chose to manage without technical competence and any real modernisation of the telecommunications sector; and they knowingly decided to go without supplementary currency inflow since Tunisian participation in the consortium led by the Spanish was marginal when compared with the solution chosen by the Egyptians. The choice of ORASCOM is thus explained mainly by the desire for control – a control dictated by security considerations (facilitating the work of the Ministry of the Interior), by financial and political considerations (favouring those close to the Presidency through the Karthago company, tolerating political interference) and by nationalist considerations (avoiding an over-distant and over-critical external gaze). The desire for control is more imperious than any external pressure when it is a question of defending, not Tunisian society in the abstract, but a highly specific order, which enables the exercise of surveillance and domination with a minimum of repression. In the concession of the second GSM licence, the Tunisian authorities were perfectly aware that the donors would envisage not paying part of the financing previously arranged. Indeed, the European Union refused to pay out the last

tranche of the part devoted to 'Technology of information and communication'³⁹. This firmness is rare enough for it to be pointed out. But it is mainly explained by the rancour of the Spanish⁴⁰.

Between the Tunisians and their foreign partners, a subtle game developed, one made up of concessions, rapprochements, pressures, advances and retreats, pretences and misunderstandings. Rough-and-ready arrangements are obviously not encountered in Tunisia alone, but characterise the strategies of resistance and adaptation of those 'small dependent countries' that are in permanent negotiation with donors⁴¹. However, they do find a particularly favourable echo in the strong tradition of formalism, as described above. In March 1996, for instance, President Ben Ali decided to create a State secretariat for privatisations after a visit from J. Wolfensohn during which the latter had, in private, expressed regret over the slowness of the process⁴². Nonetheless, the rhythm of the reforms was not significantly modified, as is proved by the memoranda of the IMF which followed this interview. Donors are not always taken in by this formalist window-dressing. On the contrary: they are often complicit with it. Thus, one of the conditionalities imposed by the institutions of Bretton Woods and the European Commission was, in 1996, the effective transfer, on 31 December 1996, of 20% of the two hundred and twelve privatisable enterprises, meant to bring in 1.4 Mds \$ to the budget. The government, in urgent need of new financing and taking advantage of the bureaucratic limitations on donors, resorted to one of the oldest tricks of 'dependent economies': to play along while respecting the forms. To make the pay-out possible, it initiated the necessary steps, in particular by publishing invitations to tender. But, at the limit date, no proposal had been deemed sufficient. However, the European Commission did pay out everything, asking in return that the government make a gesture: the sale of the two cement works, in two operations, meant that it was possible to respect the conditionalities... with the exception of two details. In the first place, this respect was honoured at the cost of a shift in criteria: whereas the outward payments was initially demanded on the basis of the number of enterprises and the amount of capital transferred, it was eventually realised on the basis of the number of operations engaged in, and the amount obtained by a single operation. And, secondly, there was a shift in dates:

³⁹ This whole narrative and its interpretation draw on press articles, and especially on interviews: Tunis, December 2002 and December 2003.

⁴⁰ Madrid had done all in its power to favour the national telephone company and, after the rejection from the Tunisian authorities, it deployed all its ingenuity to 'punish' Tunis. Interview, Tunis, December 2003 and Paris, August 2004.

⁴¹ B. Hibou, *L'Afrique est-elle protectionniste? Les chemins buissonniers de la libéralisation extérieure* (Paris: Karthala, 1996), and 'Political economy of the World Bank's discourse', op. cit.

⁴² The number of *Nord/Sud Export*, 27 April 1996, relates this episode.

whereas the initial conditionality was fixed for December 1996, it gradually shifted to 1998, the date on which the transfer of the cement factories was to be decided, and even to 1999 and 2000, since the income foreseen was actually paid to the Tunisian government only at that period⁴³.

The Tunisian authorities have realised that the conditionalities were often fictive and that the important thing was not to liberalise or to privatise in due form, but to show goodwill, to make a gesture, to use a certain number of little ‘arrangements’, even if they are anti-liberal, with the donors not being very particular with the way in which the privatisations were carried out. It is true that donors only glance at the concrete implementations and, consequently, the reality of privatisation, being more sensitive to overall results and good relations with a recipient country than to the means by which these results are obtained⁴⁴. Even though they create tensions with the donors, opacity, corruption, and slowness in operations do not nullify the situation⁴⁵. Conditionalities may not be fulfilled: indeed, they may be toned down by the very same people who first imposed them. As the extent of aid demonstrates, this rule is a general one, and gives concrete form to another involuntary contribution on the part of donors to the reformist myth.

What is the socio-political meaning of privatisations? In spite of their slowness, the low level of revenue generated, and the marginality of transformations of the productive fabric, the process cannot be described as a failure or analysed in terms of subterfuge. Privatisation is also a technique of government, as, in their time, nationalisation or the collectivisation of land had been. It is indeed striking to see that a follow-up analysis of privatised enterprises arouses no interest on the part of the authorities. This follow-up exists, but it is neither developed nor used with any rigour. In the final analysis, it cannot be used: from one year to the next, the sample of enterprises investigated is not the same; information is difficult to obtain; the economic impact, the participation of privatised enterprises in wealth, recuperation by the State, and the social balance sheet, have not been studied⁴⁶. How are we to analyse this lack of interest in a technique of control? How are we to explain that no sanction is imposed when the enterprise does not reply to the questionnaire? How are we to understand the absence of any follow-up

⁴³ Interviews, Tunis and Brussels, between 1997 and 2000.

⁴⁴ B. Hibou, ‘Economie politique de la Banque en Afrique sub-saharienne: du catéchisme économique au fait (et méfait) missionnaire’, *Les Etudes du CERI*, no. 39, March 1998.

⁴⁵ ‘Privatization and liberalization had proceeded at too slow a pace, relative to the existing potential’ – which, in the veiled language of the IMF, is a harsh criticism. Source: IMF, *Tunisia, Staff Report for 2000 Article IV Consultation*, IMF, Washington, D.C., 19 January 2001, p. 25.

⁴⁶ Interviews, Tunis, December 2002 and December 2003.

or any penalties, when the terms and conditions – mainly investment and employment – are not fulfilled?⁴⁷

Unquestionably, the main function of privatisations lies elsewhere. What counts most is the defence of the existing Tunisian social order, in its multiple dimensions, the defence of normalising discipline and the security pact. The priority given to employment explains the prudence with which privatisations are carried out and, more generally, the fact that it is laid down in the terms and conditions that the staff of the privatised enterprise must be kept identical for at least five years. The Tunisian authorities proclaim it loud and clear: ‘the first principle concerns the preservation of the general interest. Indeed, privatisation is not limited to a mere transfer of property from the public sector to the private, nor to the quest for a maximum transfer. In fact, *the State is, first and foremost, concerned for the permanence of the enterprise in question*; it then grants a particular importance to the *preservation of the greatest number of jobs* compatible with the criteria of efficiency and profitability of the enterprise’⁴⁸. This social preoccupation is also demonstrated by territorial conditions, by a focus on regional development and a desire to lessen inequalities between regions. Maintaining enterprises in poor regions where unemployment is endemic, regions considered to be social and political hot spots, is part of the policy of national integration, and expresses a security pact that is not simply the rhetoric of unanimity. The fact that the Tunisian authorities focus on the social dimension must not be considered merely as a desire to control the world of the working classes or the middle classes, the business world, or the world of sensitive regions, zones or places, even if this dimension cannot be underestimated. The presence of the Minister of the Interior is systematic when it comes to taking decisions, sometimes very officially since this latter benefits from a representative in the CAREPP and the party is also represented by senior civil servants who feel obliged to watch over the perpetuation of the allegiance of buyers to the central power. However, this obsession with control is made possible only by the way the primacy of the social pervades the whole of society.

Likewise, the national preference is not merely a decision taken from ‘on high’ to favour or, on the contrary, cause problems for this or that entrepreneur, to impose one strategy rather than another or to forestall any external gaze. It is intimately experienced by the members of Tunisian society as the exercise of national sovereignty, and as the defence of Tunisian identity

⁴⁷ Follow-up of the privatisations: according to the survey of 2000-2001, only 45 enterprises were selected by the administration and 39 of them replied; nearly two thirds of companies did not fulfil the investment contract as laid out in the terms and conditions, but no action was taken against them.

⁴⁸ From the official site, www.tunisieinfo.com/privatisation (my emphasis); according to this brochure, privatisations have three objectives – to consolidate public finance, to make the financial market more dynamic, and, above all, to guarantee the long-term survival of the business.

and of a certain mode of existence able to safeguard certain types of social relations. Of course, these interventions, which are simultaneously training techniques, make it possible for individuals in society to be controlled. These social relations favour the surveillance of the actors and of economic and financial interests; they normalise their behaviour. Disciplinary power is thus legitimized. So privatisations make it possible to carry out an activity of classification, observation, and individualisation of entrepreneurs; they guide their activities in such a way that the process deemed to symbolise the emancipation of the private sphere is transformed into firmly-directed planning, freedom under surveillance, and continuous control.

The panoptic ideal of the industrial *mise à niveau* (upgrading)

The ambiguity of economic reformism is also illustrated by the programme of ‘upgrading’, a symbol of State voluntarism, of modernisation, and of economic openness. The programme was meant to end officially in 2001, but it is carrying on, turning itself more towards SMEs. Its results are far from being disgraceful and Tunisia is still, in the region, a relatively dynamic economy. The donors underline the government’s voluntarism and determination, while Tunisians point to the extent of investments and the industrial modernisation realised within this framework. It is still very surprising that this programme should be considered a success. It is erroneous to speak of modifications in entrepreneurial behaviour, modernisation of modes of financing or improvement in industrial performances in 2004. Ever since the programme began, the Tunisian economy has not basically risen in the international hierarchy of specialisations: the main activities generating currency remain tourism, the textile industry, and the machine industry. The country has not managed to break through into modern technologies, into current consumer goods or into the communications economy. The textile and garment industry is in great difficulties these days even though the enterprises in this sector represent the biggest battalion of upgraded enterprises. All the reports emphasise the absence of any significant development in the model of production since 1997: in spite of the programme, the sector has not diversified, and there has been no qualitative improvement of the industry, nor any intensification of capital, while the niches that were picked out as promising – top-of-the-range, short chain of order – have not been explored much⁴⁹.

⁴⁹ Cettex-Gherzi, *Mise à jour de l'étude stratégique du secteur textile-habillement*, summary report, May 2004; J.-R. Chaponnière, J.-P. Cling and M.-A. Marouani, *Les Conséquences pour les pays en développement de la suppression des quotas dans le textile-habillement: le cas de la Tunisie*, working document (Paris: DIAL,

In these conditions, it seems that we need to seek elsewhere for the foundations of this positive evaluation and the apparent paradox: the upgrading is less an economic policy, or a strategy of adaptation to free trade, and more a technique of discipline, a procedure that is deemed to be able to inspect, register, and evaluate permanently – a sort of ‘panopticon’ (Bentham’s term) of industrial and entrepreneurial regulation. In the next section, I hope to show that the strength of reformism resides in this capacity to synthesize things and bring them under its control: it is a myth, but it is also a language of the political, a mode of government that integrates the majority, if not the totality, of the population. It is indisputably from here that it draws its strength.

The economic rationality of the mise à niveau

However, according to the economic discourse of the Tunisian authorities and donors, ‘upgrading’ is an industrial policy aimed at helping enterprises to face up to international competition⁵⁰. With this in mind, the government has set in place a highly structured system at the Ministry of Industry: the Bureau de la mise à niveau (BMN – Office for Upgrading) thinks out and coordinates actions in favour of enterprises, while the Agence de promotion de l’industrie (API – Agency for Promoting Industry) concretely sets up the structures of modernisation, in particular adaptation to the new European norms. After the establishment of a diagnostic that checked off their weaknesses, enterprises are now approved by an authority, the Comité de pilotage (Copil – piloting committee). The diagnostics are carried out by Tunisian research consultancies, either alone or in association with European consultancies. Between 1996 and 2001, the object of the arrangement was to train up 2,000 enterprises so they could upgrade, i.e. an annual rhythm of 400 per year: the State subsidised 70% of the amount of the diagnostics and 10% (or 20% for the enterprises installed in the interior of the country) of that of material investments⁵¹. The modes of financing evolved over time: in 1996, enterprises had to advance the totality of the consultancy costs and wait to be reimbursed by the State. From 1998, however, given the reluctance of entrepreneurs to commit to the programme, they

DT/2004/16) and J.-R. Chaponnière and S. Perrin, *Le Textile-habillement tunisien et le défi de la libéralisation. Quel rôle pour l’investissement direct étranger?* (Paris: AFD, March 2005).

⁵⁰ For the description and the operation of the upgrading process, I have drawn on interviews (Tunis, 1997-2000 in particular, and also Brussels, May 1997 and May 2002), and on a rather sizeable bureaucratic literature. See in particular S. Marniesse and E. Filipiak, *Compétitivité et mise à niveau des entreprises*, AFD, no. 1, Paris, November 2003, especially pp. 99-123; UTICA, *L’Accord de libre-échange Tunisie-Union européenne: impact sur l’entreprise tunisienne* (Tunis: Centre de formation des dirigeants des PME, 1995); Minister of Industry, Office for Upgrading, *Le Programme de mise à niveau* (Tunis, 1995), *Procédure de mise à niveau* (Tunis, 1995); and the *Bulletins du Bureau de la mise à niveau* published regularly since 1997.

⁵¹ All the quantitative data mentioned in this paragraph are, unless otherwise stated, taken from official sources, in particular the Bureau de la mise à niveau (available from its office in Tunis or on the net: www.pmn.nat.tn) between 1996 and 2003 and the API (www.tunisieindustrie.nat.tn).

managed to reach an agreement whereby they paid out only their due, i.e. the 30% of the sum of the diagnostic, whereas the 70% subsidised by the State was directly paid into the selected research consultancy. Between 1996 and 2001, 1,062 enterprises of the 2,000 anticipated were 'upgraded', i.e. a rate of realization of 53%. According to the follow-up investigations, these enterprises invested massively for a total sum of 2 Mds DT, which represents a significant sum, thanks to subsidies that were also significant, representing 275 MDT – some 13.5% of the investments undertaken. The latter represent, on average for the years 1996-2000, 40% of the private manufactured investment, according to a broad definition of the 'private' sector which, here, includes the public enterprises of the competing sectors. In March 2004, the date of the latest statistical publication which I have managed to see, 2,906 enterprises had joined the programme and 1,729 of them had obtained approval for their applications for a total projected – and not realised – investment of 2,693 MDT and subsidies of 384 MDT.

This policy has produced positive economic results because these investments have contributed to growth and enabled employment to increase, as well as exports and economic performances in general. On the other hand, it is more difficult to evaluate the efficiency of the allocation of subsidised resources, especially in the absence of comparative studies. As its reorientation to SMEs in 2001 indicates, the upgrading programme had initially favoured big enterprises and those with public holdings, doubtless because from an administrative point of view the task was easier, but certainly also because (a point to which I shall return) these enterprises are easier to keep under surveillance. Be this as it may, the upgrading programme created new needs for the majority of enterprises. Before, the ISO norms (for example) were unknown to them, like the quality guarantee; even though they were not really integrated into the operation of enterprises, these days everyone talks about them.

The relative failure of politics in favour of immaterial investments suggests, however, that modernisation – if it exists – is still in its early stages. As the government itself admits, this part is disappointing in spite of higher subsidies for intangible investments⁵². The delicate situation in which bankers and entrepreneurs find themselves, as revealed by the slump in profitability of enterprises and by the necessity to pass a bill on struggling enterprises, indubitably explains this lack of enthusiasm – which the dynamism of public organisations has not managed to temper. In spite of the mobilisation of the API and investment by donors in it,

⁵² They now seem to represent no more than 10% of the total number of investments and their rate of realisation is only 29% instead of 59% for investments taken as a whole. These are the figures for 2001. Unfortunately, I have not had access to more recent data and the latest *Bulletin de la mise à niveau* does not give any quantitative data. However, everything seems to suggest that the problem is a persistent one, since the official publication of June 2004 mentions 'President Ben Ali's preoccupation' with this issue, asking businesses to devote 'more interest to immaterial investments, especially by endeavouring to improve the rate of surveillance, to promote quality systems and to consolidate the mechanisms of the enterprise' (*Bulletin de la mise à niveau*, Tunis, June 2004).

the upgrading programme was unable to modify a situation characterised – to use the very terms of the Ministry of Industry – by bad management, a low level of technical supervision, and by the aggravation of financial problems (excessive debt, a lack of their own resources, inadequate funds for circulation, an excessive resorting to short-term credit). Another problem was the lack of preparation for openings abroad (due less to the suppression of protection than to the development of the informal sector) and the increase in the rate of interest and the policy of devaluation⁵³. So upgrading seems not to be of any help in evaluating the process of modernisation of the Tunisian industrial fabric. The inventory of the criticism and the praise poured on this programme, on the other hand, *does* make it possible to evaluate the modes of the exercise of power in the economic field.

The mise à niveau as 'affair of state'

The upgrading programme is an almost caricatural expression of Tunisian State voluntarism – a point that has often been emphasised by those it has let down, its detractors, its promoters and its partisans, as well as by external and independent analysts⁵⁴. I would here like to underline one important aspect of this: pernicky interventionism is at the same time a more or less forced mobilisation, a more or less real support, a more or less effective surveillance. When donors praise Tunisian voluntarism and contribute to the financing (even the partial financing) of this kind of policy, they are at the same time granting *carte blanche* to techniques of control and modes of the exercise of power that do not necessarily fit the rules that (in other respects) they are trying to promote – for example, those of the rule of law and good governance. Whether or not they are aware of this matters little in the final analysis, insofar as their support amounts to an external legitimization that is conscientiously exploited by the Tunisian authorities. On the other hand, it is obvious that, for entrepreneurs, upgrading is first and foremost an 'affair of State'⁵⁵, in the logic of a liberal and authoritarian interventionism⁵⁶.

⁵³ Report of the Ministry of Industry quoted and summarised in *Marchés tropicaux et méditerranéens*, 6 August 1999, and repeated in interviews of July 2000.

⁵⁴ The most exhaustive and interesting analysis is that by J.-P. Cassarino, *Tunisian New Entrepreneurs and their Past Experiences of Migration in Europe: Resource Mobilisation, Networks, and Hidden Disaffection* (Aldershot: Ashgate Publishing, 2000), and 'The EU-Tunisian association agreement and Tunisia's structural reform program', *Middle East Journal*, vol. 53, no. 1, Winter 1999, pp. 59-74.

⁵⁵ In the words of M. Camau, 'D'une république à l'autre. Refondation politique et aléas de la transition libérale', *Monde arabe Maghreb-Machrek*, 157, July-September 1997, pp. 3-16.

⁵⁶ E. Bellin ('Tunisian industrialists and the State', in W.-I. Zartman, *Tunisia. The Political Economy of Reform*, [Boulder: Lynne Rienner, 1991], pp. 45-65) shows that, whatever the discourse produced by, and the name given to, economic policy, this has found concrete and enduring expression both in a significant level of State interventionism and in a tendency favourable to the private sector.

It is an ‘affair of State’, in the first place, because the programme is the direct contrary of liberalism and an apprenticeship in market mechanisms, and in stead perpetuates a tradition of interventionism. The discourse that surrounds upgrading maintains the illusion that subsidised investments will protect the personnel and the enterprise. This interpretation is particularly credible because it fits previous practices and the level of effective protection has indeed risen since the first stages of openness: the protection of locally-produced goods has not (or has hardly) fallen, while non-locally-produced input and equipment have seen their import tax diminish. In addition, subsidies constitute another mode of protection and are interpreted as an aid for investment – often already planned-for – and not necessarily as an incitement to modernisation. The quantitative evaluations published with the aim of mobilising economic actors, in fact, do not highlight the liberal argument. They draw, rather, on shock data such as the well-known rule of the three thirds – a third of enterprises will survive, a third will die, and a third will have difficulty putting up any resistance – that does not rest on any serious study. They also play on the effects of legitimatization by scientificity, as is proved by the recurrent mention of the positive results of the models of calculable general equilibrium⁵⁷. What is forgotten is both the complexity of the factors that influence the results of liberalisation – external investment, the enterprises’ capacity for modernisation, the orientation of economic policies, exterior financing, flexibility and adaptability of the work-force, foreign demand⁵⁸ – and the requirement of virtuous series that, however, are not self-evident: for instance, the positive way that openness drives the productive systems and the activities of national and foreign economic actors⁵⁹. This administrative mobilisation shows a misunderstanding of market mechanisms and, furthermore, transmits a very State-controlled vision of competitive

⁵⁷ For Tunisia, there are at least four applications of the model of calculable general equilibrium within the creation of the free trade zone: T. Rutherford, E. Ruström and D. Tarr, *The Free Trade Agreement between Tunisia and the European Union* (Washington, D.C.: The World Bank, 1995); Comete Engineering, *Etude prospective de l’impact sur l’économie tunisienne de la mise en place d’une zone de libre-échange entre la Tunisie et l’Union européenne* (Tunis: Ministry of National Economy, November 1994); D. Brown, A. Deardorff and R. Stern, ‘Some economic effects of the free trade agreement between Tunisia and the European Union’, a paper given at the Egyptian Center for Economic Studies Conference, *How can Egypt benefit from a free trade agreement with the EU*, Cairo, 26 June 1996; M.-A. Marouani, *Effets de l’Accord d’association avec l’Union européenne et du démantèlement de l’Accord multifibres sur l’emploi en Tunisie: une analyse en équilibre général intertemporel*, working document (DIAL, DT/2004/01). According to these judgments, the expected gains in well-being, obtained by the rationalisation of purchases, are more significant than the losses (the impossible reconversion of the entire capital due to its specificity or its obsolescence, and due to – at least short-term – labour). In consequence, free trade would be at best neutral or very slightly negative if not indeed positive in terms of growth (but not in terms of employment).

⁵⁸ L. Jaidi, ‘La zone de libre-échange Union européenne/Maroc: impact du projet sur l’économie marocaine’, *Cahiers du GEMDEV*, no. 22, Paris, October 1995; B. Hamdouch, ‘Perspectives d’une zone de libre-échange entre le Maroc et l’Union européenne: enjeux et impacts’, *Reflets et perspectives de la vie économique*, vol. 35, no. 3, 3rd trimestre 1996, pp. 273-296; A. Galal and B. Hoekman, ‘Egypt and the partnership agreement with the EU: the road to maximum benefits’, *The Egyptian Center for Economic Studies Working Paper*, no. 9603, June 1996.

⁵⁹ For a detailed analysis of these necessary conditions, see B. Hibou and L. Martinez, ‘Le partenariat euro-maghrebien: un mariage blanc?’, *Les Etudes du CERI*, no. 47, November 1997.

international integration. The paternalist rhetoric of the central power also reinforces the idea that the ultimate ambition of aid is to benefit the whole population – in other words, that upgrading is part of the complex arrangement that I analysed above in terms of the security pact.

It is an affair of State, in the second place, because the public authorities seem to be much more concerned by the success of the programme than are the entrepreneurs, who participate only half-heartedly in the dynamics of upgrading. The bureaucratic logic is expressed by the desire to ‘produce good figures’: the regular presentation of the advances in the process emphasise, for instance, the number of dossiers approved by the Bureau and not the number of enterprises concerned – which would be more relevant in a purely economic logic. Now, these figures are respectively 1,885 and 245, i.e. an average of 8 dossiers per enterprise⁶⁰. The presentation thus provided has the evident object of showing, by quantification, that there is a dynamic at work, as well as demonstrating the efficacy of State voluntarism. If we follow the concrete procedures that the ‘upgraded’ enterprises need to respect, we understand the terms used to describe this administrative process (‘a sort of gosplan’, according to one donor, or ‘a Soviet conception of public intervention’ according to one entrepreneur)⁶¹.

The ways in which business men are mobilised often increase this impression of counter-productivity. In the press, on television, in the headquarters of the party and the employers’ unions, in association meetings and at conferences, the proliferation of interventions ends up being tiresome. The expression ‘upgrading’ is repeated ad nauseam and applied so systematically to such very heterogeneous situations that it becomes empty for entrepreneurs used to ‘campaigns’, to magic formulae, to the inevitable gaps between discourse and reality. During my interviews with bankers and business men, the latter did not hesitate to tell me, off the record, that ‘the authorities go in for them too much’, that they are ‘not credible’ as a result, and that upgrading ‘is gradually starting to turn in on itself’⁶², unable to get beyond its procedural and bureaucratic dimension. Studies are carried out because studies need to be

⁶⁰ Interviews, Tunis, December 2002 and December 2003. The figures are those given orally by the Bureau de la mise à niveau, but also quoted in UGTT, *Le Secteur textile-habillement en Tunisie*, op. cit.

⁶¹ These characteristics are not specific to the ‘upgrading’ process: the industrial zones created with town and country planning in view, in a highly bureaucratic way, are still empty. See the study Foreign Investment Advisory Service, quoted in *Marchés tropicaux et méditerranéens*, various numbers, in particular 28 June 1996 (an organisation in the circle of the World Bank); World Bank, *Actualisation de l’évaluation du secteur privé* (Washington, D.C.: The World Bank, May 2000).

⁶² Interviews, Tunis and Sfax, April-May 1997, April 1998 and January 1999.

carried out; enterprises find their hand forced to enter the programme, to publicise it, to take part in delegations abroad and to vaunt the merits of Tunisia⁶³...

As a result, this progressive shift from encouragement to pressures that can rapidly intensify so as to become practically an obligation constitutes the other face of State voluntarism⁶⁴. Upgrading definitely no longer has anything to do with liberalisation. It is part of the disciplinary arrangement of the Tunisian authorities. With the approach of the final date of 2001, this dimension appeared more nakedly: the object of preparation for competition was eclipsed by the administrative and political necessity of fulfilling the contract – 2,000 enterprises updated – to show a success that could be obtained only with the clientelist and *rentier* mobilisation of the networks of power. This does not mean that upgrading is pure fiction and that it has no administrative consistency. Quite the contrary, as is shown by the institutionalisation of the bureaucratic mechanisms by way of funds such as the Fonds de promotion et de maîtrise de la technologie, the FOPOMAT (Fund for the promotion and control of technology), managed by the API, or by financial procedures, such as the bonus for investments in research and development. The very low level of investment of these institutions by the actors concerned does however suggest the main dimension of upgrading: ‘The institutional and financial impulse given by the State [...] follows a circular path that brings it back to starting point’, since upgrading is ‘led by and for the State’⁶⁵. As a disciplinary bureaucratic process, it thus enables the administration to throw out its own adjustments that might undermine the mechanisms of control. The objective of shaping a competitive industrial fabric thus appears, in the final analysis, as marginal – and it is in any case understood as such by the main foreign partners of the Tunisian State. For the World Bank, for example, upgrading is a ‘safety net’⁶⁶.

The mise à niveau, an integrated discipline

This kind of authoritarian State intervention obviously runs into resistances on the part of entrepreneurs who are often reluctant to open the accounts of their company and to become increasingly involved with State bureaucracy. But it is no less obvious that, in the Tunisian political economy, these tensions and resistances lead very rarely to any real confrontations. As often as not, they are transformed into negotiations and compromises all the more easily

⁶³ Interviews, Tunis, 1997-2000. On the reluctance of businesses to get involved in the process, see also J.-P. Cassarino, *Tunisian New Entrepreneurs*, op. cit. For their behaviour in recent years, UGTT, *Le Secteur textile-habillement en Tunisie*, op. cit.

⁶⁴ J.-P. Cassarino, ‘The EU-Tunisian association agreement’, op. cit.

⁶⁵ F. Siino, *Science et pouvoir dans la Tunisie contemporaine* (Paris: Karthala-IREMAM, 2004), pp. 322-323.

⁶⁶ Interview, Paris, July 2004.

because the interests of entrepreneurs, and of the State, are interlinked and interwoven. Admittedly, in this area as in others, fear is never absent: the enterprises interpret the upgrading programme as a process of domestication. The low profile of entrepreneurs right at the start of the programme needs to be understood in this historically constructed context of the apprehension of the political, a context re-actualised by the proliferation of official discourse, by the mobilisation of bureaucratic and party apparatuses, and by the invasion of the public space of repetitive slogans. As I heard time and again in the course of my research, official language often arouses fear and leads people to withdraw into themselves.

But fear alone cannot explain the entrance of an after all significant number of enterprises into the upgrading programme; there is a certain kind of support, if not for the concrete shape of State control, at least for the types of relations of power made manifest by these programmes. Many entrepreneurs doubt the success of liberalisation and the real openness of the Tunisian economy, but they support it for financial reasons, for political reasons in particular, so as to 'look good' or, to use the official term, 'as a gesture of citizenship'. Others criticise the ways in which aid is provided, the delays in payment or the administrative difficulties, but emphasise that the authorities are willing to listen and are anxious to preserve the Tunisian industrial fabric. Both groups consider upgrading as the new expression of relations between enterprises and central power, formalised in administrative and financial terms. In this way, the programme seems to materialise a new stage in the reinforcing of links between State and entrepreneurs, the latter being rewarded by the granting to them of 'titles of nobility', by social recognition, or by a certain high profile in the media⁶⁷.

The vocabulary here is significant: people 'look good' in the eyes of the central power if they 'go along with' upgrading and if they 'support' the programme, not if they modernise the enterprise by their own means. The political dimension is illustrated by the ups and downs that accompanied the choice of the enterprises that first entered the programme in 1996 and 1997⁶⁸. Like entering the Stock Exchange, or the quality of relations with the Inland Revenue, this sort of co-option has played a role as a barometer of relations with the authorities and has constituted a place of negotiation with them. Certain enterprises, it appears, were 'chosen' and others not; certain entrepreneurs were, on this occasion, given a high profile and others not; the central power did or did not guarantee the success of the operation. The degree of overinterpretation is perhaps significant, but the fact remains that entrepreneurs, well-informed observers of the business world and a large majority of Tunisians understand upgrading first and foremost in political terms.

⁶⁷ J.-P. Cassarino, *Tunisian New Entrepreneurs*, op. cit.

⁶⁸ J.-P. Cassarino, 'The EU-Tunisian association agreement', op. cit.

The programme's ambition is to condition enterprises for international competition. Even though the Tunisian enterprises have continued to be protected since their creation, the market mechanisms have not been explicitly revealed. As in the past, the way the programme proceeds and the control of activities seem more important than its pedagogical dimension⁶⁹. Few questions are asked about the ultimate economic rationality of upgrading, or its cost in resources. The authorities do not really seem bothered by changes that are, not to put too fine a point on it, unexpected, such as the development of re-exportation, a certain specialisation in commercial intermediation and warehousing, the pursuit of strategies aimed at splitting up enterprises, with one part producing and the other marketing the products imported, the realising of false investments in intangibles, the inadequacy and under-use of training, and even the perpetuation of an increased level of specialisation in services⁷⁰. On the other hand, the authorities enumerate the qualities of the ideal enterprise: the aim of upgrading is not the really existing enterprise, but the normative enterprise, which says what the enterprise should be, the norms it needs to respect, the steps it should follow, and the aims it should meet⁷¹.

Upgrading is an attempt, perhaps unconscious, to put into practice the panoptic ideal of the central power, a continuous surveillance of entrepreneurs, the symbolic illustration of a 'technical *imaginaire* of social discipline'⁷². When the central power defines the 'good' (or 'bad') entrepreneur, it is probably less interested in bringing out the ethical and moral dimension of the economic sphere⁷³ than in seeing a disciplinary technique being exercised. What Foucault says about the mechanisms of disciplinary normalisation can be applied perfectly well to upgrading: this 'consists in first setting up a model, an optimal model that is constructed with a certain result in mind, and the operation consists in trying to make people, gestures and acts fit this model; the normal here is, precisely, what is able to fit this norm, and the abnormal is what is unable to do so. In other words, there is an originally prescriptive character of the discipline'⁷⁴.

⁶⁹ See in particular P. Signoles, 'Industrialisation, urbanisation et mutations de l'espace tunisien', in R. Baduel (ed.), *Etats, territoires et terroirs au Maghreb* (Paris: CNRS, 1985), pp. 277-306, which draws a distinction between, on the one hand, State-led voluntarism and, on the other, the results, efficiency, and indeed effectiveness of the concrete measures.

⁷⁰ Interviews, Tunis, 1997-2000. On the activities of warehousing and intermediation, Z. Daoud, 'Tunisie. Chronique intérieure', *Annuaire de l'Afrique du Nord*, vol. 33, 1994, pp. 713-745; on the strategy of splitting up businesses in the agribusiness and the textile industry, interviews, January 1999 and July 2000, and N. Baccouche, 'Les implications de l'accord d'association sur le droit fiscal et douanier', in *Mélanges en l'honneur d'Habib Ayadi*, (Tunis: Centre de publication universitaire de Tunis, 2000), pp. 5-27.

⁷¹ On normative enterprise, see J.-P. Durand, *La Chaîne invisible. Travailler aujourd'hui: flux tendu et servitude volontaire* (Paris: Seuil, 2004), pp. 255-258.

⁷² P. Minard, *La Fortune du colbertisme*, op. cit., p. 116, regarding the statistics of the inspectors of industry.

⁷³ A thesis developed by J.-P. Cassarino, *Tunisian New Entrepreneurs*, op. cit.

⁷⁴ M. Foucault, *Security, Territory, Population*, lecture of 25 January 1978, p. 57, tr. by Graham Burchell (Basingstoke: Palgrave Macmillan, 2007).

Entrepreneurs are not taken in. Those who 'support' the programme do so, as we have seen, to 'look good, i.e. to be in the norm. Others 'avoid' the programme since it is deemed to be inappropriate and because 'confidentiality is not respected', which comes down to saying that they refuse the process of normalisation whereby, too, things are brought out into the light and all the 'dark shadows' eliminated. And others, who have supported the programme, 'get out' once the diagnostic phase has been completed, since 'the process is extremely bureaucratically complicated' or 'because we already know what we have to do and the subsidies aren't worth it': they deem the 'price to be paid' in terms of control and surveillance to be too high⁷⁵. Upgrading is thus an efficient mechanism of surveillance and normalisation: anyone is 'good' if they can be registered in the process, added to the list of upgraded enterprises, or classified as an exporter.... The obsession with surveillance and order is rather reminiscent of the obsession of the inspectors and different technical bodies of Colbert's administration which Philippe Minard has magnificently analysed.

Even if upgrading is developed and implemented in a rational way, with objectives by sectors and regions, with a real desire for modernisation and adaptation to international competition, and also out of a desire to respond to the anxieties of the economic world, the programme is naturally integrated into the diffuse ethos of reformism. Entrepreneurs understand the programme in terms of relations of force, of administrative and political control of the world of enterprise, in a direct line from previous policies whose foundations were the precise opposite of current policies. As a result, upgrading is not interpreted as an apprenticeship in free trade, but as a protective subsidy and, at the same time, as a benevolent and yet inquisitorial surveillance. Quite unlike liberalism itself, 'upgrading' is an additional opportunity to obtain aid, the pursuit, in new forms, of a public policy, economically interventionist and politically clientelist. Subsidies emerge from their economic framework to become an honorary bonus, an importunate gaze, a reassuring and simultaneously dangerous protection⁷⁶. The lack of economic credibility for upgrading also stems from this alliance between a liberal discourse and interventionist practices, of a discourse of openness and protectionist and political interpretations of this discourse⁷⁷. This technique of surveillance, then, is legitimized by entrepreneurs once upgrading is integrated into Tunisian modes of government and the reformist ethos. But it is also legitimized by foreign partners who see in it

⁷⁵ All these expressions and details of strategies are taken from interviews, Tunis, July 2000, January-March 2005.

⁷⁶ J.-Y. Grenier has clearly shown how the economic realm was transcended when the French State gave aid to 18th-century industrialists (J.-Y. Grenier, *L'Economie d'Ancien Régime. Un monde de l'échange et de l'incertitude* [Paris: Albin Michel, 1996]).

⁷⁷ J.-P. Cassarino, 'The EU-Tunisian association agreement', op. cit., and, in particular, *Tunisian New Entrepreneurs*, op. cit.

both State voluntarism and a mobilisation of national capacities. Donors appreciate a country in which decisions in the domain of public policies ‘make a noise’⁷⁸.

It does not really matter whether the programme is effective or not, so long as this way of looking at things exists and fits international canons: ‘Here, they know what they want, they have a plan, which is by and large positive’ – this was the conclusion of an international civil servant, in spite of the demurrals he had himself contributed during a conversation devoted to the results (which he judged to be middling) of the ‘upgrading’. And the European Union underlines how much Tunisia is ‘reacting well’ and is ‘imaginative’, proposing ‘fluid and diversified programmes’ that the country ‘has itself adopted’, emphasizing that upgrading is a Tunisian initiative⁷⁹. Unlike in many other African or Middle Eastern countries, the Tunisian discourse is technocratic, articulated, and constructed round the dominant themes of the international community. As a result, donors do not view themselves as being in a *terra incognita*, even if implementation does not follow on.

Reformism: an ambiguous and interiorised domination

The fact that the reforms are perpetual is not a distinguishing feature of contemporary ‘liberalism’, as we can see from the succession of reforms over the interventionist and socialist periods. This recurrence has been analysed in terms of cycles, following a simplified interpretation of the theses of Ibn Khaldun, the great Arab thinker of the 14th century⁸⁰, or, following a historicising interpretation, in terms of the ‘fabrication of ruin’⁸¹, with each prince striving to destroy the reforming work of his predecessor. These readings adopt an over-utilitarian conception of the reforms, without leaving any place for ambiguities and misunderstandings, involuntary appropriations and processes.

On the contrary, I myself have tried to show that in the final analysis it matters very little whether the reforms do or do not fulfil their avowed objectives, since their interest lies elsewhere – in the way they form an integral part of relations of power. In this sense, one might

⁷⁸ Interview, Paris, July 2004, with my interviewee speaking of ‘sound policies’.

⁷⁹ There are no such procedures in the other developing countries of the Mediterranean. Morocco, for example, has adopted a much more ‘liberal’ approach, carrying out many studies (for example on competitive clusters), but without offering any particular financial or tax incentives. Interviews, Casablanca and Rabat, June 1998, February 1999, September-October 1999, October 2000.

⁸⁰ See for example A. Larif-Beatrix, *Edification étatique et environnement culturel. Le personnel politico-administratif dans la Tunisie contemporaine* (Paris: Publisud-OPU, 1988).

⁸¹ L. Blili, ‘Réformes et intendance. Cour beylicale, Tunis, XIX^e siècle’, paper given at the conference organized by O. Moreau, *La Réforme de l’Etat dans le monde musulman méditerranéen à partir de l’exemple du Maghreb* (Tunis: IRMC, 3-5 April 2003).

⁸² M. Foucault, *Discipline and Punish*, op. cit., p. 285.

almost say that these successive failures make it possible for techniques of surveillance to perpetuate themselves; thus, in the terms used by Michel Foucault in his analysis of prisons, they authorize the expression of ‘tactics that shift according to how closely they reach their target’⁸². These failures or these imperfections are not necessarily thought out, conceived of and brought into being by a dominant central power, but it is certainly true that this latter finds new (and ever-renewed) spaces to occupy in them. In a totalitarian system where any expression of dissent is impossible, failure is unmentionable. But the permanent improvement of the reforms, their extension or their consolidation express this same imperfection, this same inability to fill their ‘terms and conditions’⁸³. They are part of the very operation of the reformist political economy. By perpetuating themselves endlessly, the reforms succeed because the domains to be reformed are always more numerous, since the instruments, the procedures and the mechanisms of discipline are forever extending themselves.

The incompleteness of reform thus also acts as an instrument of domination. These reforms become an integral part both of the logics of inclusion and of exclusion, necessarily unfinished and often mutually incompatible: the irreducible simultaneity of these two types of practices leads to a nuanced reading of the mechanisms of domination in which the degree of support is fundamental. Reformism, as a series of endless reforms, requires this incomplete and imperfect character⁸⁴. The incompleteness and the impossibility of the reforms ever dying form part of the Tunisian *imaginaire*, of the history of the construction of the State in Tunisia. So these days it is less a matter of elucidating the enigma of the durability of the ‘Ben Ali regime’ in the face of the reforms, and more a matter of understanding the current reforms in their historical context⁸⁵: how they are understood, interpreted, and appropriated with regard to this reformist ethos, why they are endlessly renewed, reshaped and redeployed, the rationalities that dictate their development, and the ways in which they form part of the modes of government and the processes of subjection⁸⁶.

⁸² Ibid.

⁸³ H. Arendt has shown the perpetual motion of political action that is inherent in totalitarian systems in her *The Origins of Totalitarianism* (London: Deutsch, 1986) especially ch. XII, ‘Totalitarianism in power’.

⁸⁴ In a quite different context, Adriana Kemp proposes an illuminating analysis of the simultaneity of such practices of inclusion and exclusion: see her ‘Naissance d’une “minorité piégée”. La gestion de la population arabe dans les débuts de l’Etat d’Israël’, *Critique internationale*, 15, April 2002, pp. 105-124 (English version: “‘Dangerous population’”. State territoriality and the constitution of national minorities’, in J. Migdal [ed.], *Boundaries and Belonging. States and Societies in the Struggle to Shape Identities and Local Practices* [Cambridge: Cambridge University Press, 2004], pp. 73-98).

⁸⁵ Y. Chevrier, ‘De la Révolution à l’Etat par le communisme’, *Le Débat*, 17, November-December 2001, pp. 92-113.

⁸⁶ This analysis is clearly akin to that carried out by Olivier Vallée on Africa – see his *Pouvoir et politique en Afrique* (Brussels: Desclée de Brouwer, 1999). In this book, he analyses the structural adjustments promoted by the World Bank in the light of the Protestant Reformation in Europe: the reaction of the African powers is here identified with the Counter-Reformation, which was never a head-on opposition but a permanent negotiation dropping the abandoned concessions and thereby renewing the appearance of procedures and methods.

The problematization of the exercise of power in terms of reformism means that individuals can be subjected – by the soothing discourse on national unity and consensus, by a State control which sees the administration as the instrument of a rational and active management, by the voluntarist illusion, and by a rejection of the real which says what is good and what is bad, which orders, prescribes, and formulates reforms that are ‘artificial’ in relation to any reality⁸⁷. But it also makes recognition and support possible. So reformism constitutes a form of ambiguous and interiorised domination which makes everyday life normal, conceivable, and even desirable. Such a life, in which the element of control, of coercion, or even repression cannot be denied, is accepted as a success because the appearance of peace and tranquillity prevails. Order and social stability are an effective result as much as a discourse, and a representation as much as a preoccupation: they refer directly to reformism and Tunisian-ness, and this reference is explicit and has become a matter of routine. Reforms and reformism benefited from positive connotations in the 19th century as they do these days – but in reality, these connotations conceal the multiplicity of modes of the exercise of power, and the simultaneity of repression and support, of pressure and accommodation, of servitude and belonging. Tunisian reformism is a ‘good government’ which masks the impossibility of any frank expression of freedom.

Now, as this essay comes to its end, I would like to come back to the very terms ‘reform’ and ‘reformism’. Like ‘liberalism’, ‘protectionism’, ‘state intervention’, or ‘collectivism’ in the economic field, or ‘democracy’, ‘authoritarianism’, ‘governance’, or the ‘rule of law’ in the political field⁸⁸, they screen out any more nuanced understanding of political and social practices⁸⁹. All of them refer to such heterogeneous and sometimes such contradictory experiences, they assume such different meanings, and these differences themselves are so

⁸⁷ M. Foucault, *Security, Territory, Population*, lecture of 18 January 1978.

⁸⁸ This is shown by works such as P. Minard, *Les Fortunes du colbertisme* on Colbertist state intervention in France, or Polanyi, *The Great Transformation*, revised edn (London: Victor Gollancz, 1945), or J. Brewer, *The Sinews of Power. War and the English State, 1688-1783* (London: Unwin Hyman, 1989) on English ‘liberalism’. On the way that the concept of ‘collectivism’ fails to analyse properly the changes in Russia, see O. Kharkhordin, *The Collective and the Individual in Russia. A Study of Practices* (Berkeley: University of California Press, 1999).

⁸⁹ On democracy and authoritarianism, see G. Hermet, ‘L’authoritarisme’, in M. Grawitz and J. Leca (eds), *Traité de science politique* (Paris: PUF, 1985), vol. II, pp. 269-312; *Aux frontières de la démocratie* (Paris: PUF, 1983); G. Hermet (ed.), *Totalitarismes* (Paris: Economica, 1984); and J. Leca, ‘Democratization in the Arab world. Uncertainty, vulnerability and legitimacy. A tentative conceptualization and some hypothesis’, in G. Salamé (ed.), *Democracy without Democrats? The Renewal of Politics in the Muslim World* (New York; London: Tauris, 1994). On the rule of law, see M. Miaille, ‘L’Etat de droit comme paradigme’, *Annuaire de l’Afrique du Nord*, XXXIV, 1995, pp. 29-43, and J. Ohnesorge. ‘The rule of law, economic development and the developmental states of northeast Asia’, in C. Antons (ed.), *Law and Development in East and South East Asia* (Richmond: Curzon Press, 2002) as well as ‘Etat de droit et développement économique’, *Critique internationale*, 18, January 2003, pp. 46-56. On governance, see G. Hermet, ‘La gouvernance serait-elle le nom de l’après-démocratie? L’inlassable quête du pluralisme limité’, in G. Hermet, A. Kazancigil and J.-F. Prud’homme (ed.), *La Gouvernance. Un concept et ses applications* (Paris: Kartala, 2005), pp. 17-47.

irreducible, that in the end they lose any meaning. The fact that reform and reformism are part of the global lexicon, of the imposed readings of the transformations of the contemporary world, of the legitimate problematizations of life under current globalisation, contributes to obscuring their sense. It is difficult to say whether the misunderstanding thereby created is working or not, since such a conclusion depends so much on value judgments. But it is certain that the misunderstanding of the very meaning of reformism is, in Tunisia, an important element in the transformation of the latter into myth and *imaginaire*.

Tunisian reformism synthesises at least two sets of norms, two sets of interpretations and ways of being that are not necessarily compatible. The former emphasize openness, the rule of law, and emancipation, whereas the latter insist on social integration and protection. The former correspond to the adoption of a dominant lexicon, and thus to the attempt at integration into the hierarchised structure of the globalised world, while the latter express a desire for integration and thus an attempt at safeguarding specifically Tunisian features. The translation of *islah* by ‘reformism’ is also a process whereby a dominant western discourse is appropriated – one that is particularly easy to assimilate because *islah* transmits the same ideas of openness to the Other. The misunderstanding thus also stems from the articulation, in a recognized language that is taken to be transparent, of concepts of understanding the world that are inherent in contemporary Tunisian situation and practices⁹⁰.

The language of reformism, like that of liberalism or nationalism, makes it possible to face the globalised version of the world, just as it had previously made it possible to understand its colonial version. Tunisian reformism appears, in these conditions, more banal than specific, since the political sphere is ambiguous by nature and this ambiguity cannot be reduced to Tunisian-ness. Also, in most Muslim countries, reformism is also understood in the complex sense in which the religious reference is implicit, but diffuse and pregnant with meaning; and most populist regimes instrumentalise reformist rhetoric. As the experiments in reform carried out without any reformist myth suggest⁹¹, the Tunisian trajectory is specific only in the way it links the rhetoric of reforms to particular feelings, problematisations and ideas, and in the *imaginaire* that it conveys.

Traduit du français par Andrew Brown

⁹⁰ C. Bayly has analysed such processes of appropriation in connection with liberalism in India in the 19th century, in ‘Liberalism and “moral economy” in nineteenth-century South and Southeast Asia’, paper presented at the Franco-British conference *Economies morales et formation de l’Etat dans le monde extra-européen* (Paris; Cambridge: CERI, FASOPO, and Trinity College, 27 May 2005).

⁹¹ I have already mentioned the case of Morocco in the Muslim world. China is another example, albeit in a quite different context.