

The Lessons From Tunisia's Fallen Autocracy

By [Joseph E. Stiglitz](#)

February 07, 2011

The  Moscow Times

The whole world celebrates Tunisia's democratic revolution, which has set off a cascade of events elsewhere in the region — particularly in Egypt — with untold consequences. The eyes of the world are now set on this small country of 10 million to learn the lessons of its recent experience and to see whether the young people who overthrew a corrupt autocrat can create a stable, functioning democracy.

First, the lessons. For starters, it is not enough for governments to deliver reasonable growth. After all, gross domestic product increased at about 5 percent annually in Tunisia over the last 20 years, and the country was often cited as boasting one of the

better-performing economies, particularly within the region.

Nor is it enough to follow the dictates of international financial markets. That may help get good bond ratings and please international investors, but it does not mean that jobs are being

created or that standards of living are being increased for most citizens.

Indeed, the fallibility of the bond markets and rating agencies was evident in the run-up to the 2008 crisis. That they now looked with disfavor at Tunisia's move from authoritarianism to democracy does not redound to their credit and should never be forgotten.

Even providing good education may not be sufficient. All over the world, countries are struggling to create enough jobs for new entrants into the labor force. High unemployment and pervasive corruption, however, create a combustible combination. What matters is a sense of equity and fair play.

If in a world of scarce jobs, those with political connections get them, and if in a world of limited wealth, government officials accumulate masses of money, there will be justifiable outrage at such inequities — and at the perpetrators of these “crimes.” Outrage at bankers in the West is a milder version of the same basic demand for economic justice that we saw first in Tunisia and now across the region.

As virtuous as democracy is — and Tunisia has shown that it is far better than the alternative — we should remember the failures of those who claim its mantle. In addition, there is more to true democracy than periodic elections, even when they are conducted fairly. Democracy in the United States, for example, has been accompanied by increasing inequality, so much so that the upper 1 percent now receives about one-quarter of national income with wealth being even more inequitably distributed.

Indeed, most Americans today are worse off than they were a decade ago, with almost all the gains from economic growth going to the very top of the income and wealth distribution. And corruption U.S.-style can result in trillion-dollar gifts to pharmaceutical companies, the purchase of elections with massive campaign contributions and tax cuts for millionaires as medical care for the poor is cut.

Moreover, in many countries, democracy has been accompanied by civil strife, factionalism and dysfunctional governments. In this regard, Tunisia starts on a positive note. A sense of national cohesion created by the successful overthrow of a widely hated dictator. Tunisia must strive to maintain that sense of cohesion, which requires a firm commitment to transparency, tolerance and inclusiveness — both politically and economically.

A sense of fair play requires voice, which can be achieved only through public dialogue. Everyone stresses the rule of law, but it matters a great deal what kind of rule of law is established. Laws can be used to ensure equality of opportunity and tolerance, or they can be used to maintain inequalities and the power of elites.

Tunisia may not be able to prevent special interests from capturing its government, but if public financing of electoral campaigns and restrictions on lobbying and revolving doors between the public and private sectors remain absent, such capture will be not only possible, but certain. Commitments to transparent privatization auctions and competitive bidding for procurement reduce the scope for rent-seeking behavior.

There are many balancing acts to be mastered. A government that is too powerful might violate citizens' rights, but a government that is too weak would be unable to undertake the

collective action needed to create a prosperous and inclusive society — or to prevent powerful private actors from preying on the weak and defenseless. Latin America has shown that there are problems with term limits for political officeholders, but not having term limits is even worse.

So constitutions need to be flexible. Enshrining economic-policy fads, as the European Union has done with its central bank's single-minded focus on inflation, is a mistake.

But certain rights, both political — freedom of religion, speech and the press — and economic, need to be absolutely guaranteed. A good place for Tunisia's debate to begin is deciding how far beyond the rights enshrined in the Universal Declaration of Human Rights the country should go in writing its new constitution.

Tunisia is off to an amazingly good start. Its people have acted with purpose and thoughtfulness in setting up an interim government, as Tunisians of talent and achievement have, on a moment's notice, volunteered to serve their country at this critical juncture. It will be the Tunisians themselves who will create the new system, one that may serve as a beacon for what a 21st-century democracy might be like.

For its part, the international community, which so often has propped up authoritarian regimes in the name of stability (or on the principle that "the enemy of my enemy is my friend"), has a clear responsibility to provide whatever assistance Tunisia needs in the coming months and years.

Joseph E. Stiglitz is university professor at Columbia University and a Nobel laureate in economics. His latest book, "Freefall: Free Markets and the Sinking of the Global Economy," is available in French, German, Japanese and Spanish. © Project Syndicate

The views expressed in opinion pieces do not necessarily reflect the position of The Moscow Times.

Original url:

<https://www.themoscowtimes.com/2011/02/07/the-lessons-from-tunisias-fallen-autocracy-a4816>