



Universiteit
Leiden
The Netherlands

An economic paradox: debts, dependency and hegemony: A case study of the International Monetary Fund and the World Bank in Tunisia

Garcia Abrahamse, Joëlle

Citation

Garcia Abrahamse, J. (2020). *An economic paradox: debts, dependency and hegemony: A case study of the International Monetary Fund and the World Bank in Tunisia*.

Version: Not Applicable (or Unknown)

License: [License to inclusion and publication of a Bachelor or Master thesis in the Leiden University Student Repository](#)

Downloaded from: <https://hdl.handle.net/1887/3217568>

Note: To cite this publication please use the final published version (if applicable).

An economic paradox: debts, dependency and hegemony

A case study of the International Monetary Fund and the World Bank in Tunisia



MSc Political Science thesis
Leiden University
Name student: Joëlle Garcia Abrahamse
Student number: s1558110
Name Supervisor: Dr. R. Hagen MA
Name 2nd reader: Dr. T.J.H. Theuns
Date: 14-06-2020
Word count: 9990 words

Abstract

The overall aim of this thesis is to better understand the role of International Financial Institutions in achieving economic development. The problem statement therefore focuses on the appropriate governance approach for international financial support to ultimately achieve sustainable economic development. To assess the problem statement the case of the International Monetary Fund and the World Bank in the Tunisian context will be analysed. The lens that will be used to perform the analysis will mainly compose of literature on Global Public Goods and Commons. The case study will be established through policy papers, academic literature, opinion papers and primary data retrieved from a questionnaire on the Tunisian public opinion concerning the International Monetary Fund and the World Bank. On this basis, the hypothesis stating that a bottom-up approach leads to more sustainable economic development will be tested. The analysis shows that the current Global Public Goods approach to International Financial Institutions does not result in sustainable economic development. A Commons approach would probably have better results, but it is difficult to establish such a bottom-up approach in practice. However, theoretically it can be concluded that a bottom-up approach will lead to more sustainable economic development.

Keywords: International Financial Institutions, economic development, Global Public Goods, Commons, International Monetary Fund, World Bank, Tunisia

Contents

Acknowledgement	p.3
1. Introduction	p.4
2. Literature review	p.7
<i>2.1 Economic development</i>	p.7
<i>2.2 Global Public Goods vs. Commons</i>	p.8
3. Theoretical framework	p.10
<i>3.1 Conceptualization</i>	p.10
<i>3.2 Theoretical argument</i>	p.11
<i>3.3 Hypothesis</i>	p.12
4. Methodology	p.13
<i>4.1 Case selection</i>	p.13
<i>4.2 Research Design</i>	p.14
<i>4.2.1 Operationalization</i>	p.16
<i>4.3 Methods of data collection</i>	p.16
<i>4.4 Methods of data analysis</i>	p.17
5. Case study analysis	p.18
<i>5.1 Evaluation of the case</i>	p.18
<i>5.2 Possible changes & solutions</i>	p.20
<i>5.2.1 Ensuring collective action</i>	p.20
<i>5.2.2 Overcoming overutilization</i>	p.21
<i>5.2.3 Counterbalancing hegemony</i>	p.22
6. Conclusion	p.24
7. Bibliography	p.26
8. Appendix	p.33

Acknowledgement

Firstly, I would like to recognize my thesis supervisor R. Hagen MA of the Institute of Political Science at Leiden University. Sometimes this process felt like an imaginary ‘Marathon des Sables’, which I would definitely consider a classic case of mission impossible. However, Mr. Hagen was convinced about the finish line being the only right destination throughout the entire process. His professional and consistent guidance as well as motivational talks, made it possible to create my own work by steering me in the right direction. Thanks to this support I can now state – it is done -.

Secondly, I would like to acknowledge Dr. T.J.H. Theuns of the Institute for Political Science at Leiden University as the second reader of this thesis for his valuable comments and time.

Finally, I would like to express my gratitude to Mr. M. Omran of the Democratic transition & human rights support centre, Mr. A. Ouni of the embassy of the Kingdom of the Netherlands in Tunisia and Mr. R. van Boxtel of the Ministry of Foreign Affairs. They kindly shared their knowledge on to the thesis related topics and gave their advice on the questionnaire I used for this research. In this line, I would also like to acknowledge Ms. O. Kheriji for the effort and time she put into translating the questionnaire into Tunisian Arabic, *يعيشك*. Concerning the questionnaire, I would like to thank all respondents and those who helped spreading it among their networks for their contribution as this accomplishment would not have been possible without them. Thank you.

1.Introduction

“The financial industry is a service industry. It should serve others before it serves itself.”

Christine Lagarde – International Monetary Fund

The International Monetary Fund (Fund) and the World Bank (Bank) have been created to support the world’s economic and financial order by promoting exchange stability among their member states (International Monetary Fund, 2020; World Bank, 2020). These International Financial Institutions (IFIs) ensure states’ stability and sustainability through, among others, the long-term financing of development projects (Driscoll, 1995). Nevertheless, the political foundations of this development cooperation have been heavenly questioned by, inter alia, decision makers and civil society (Severino, 2001). Questions have been raised by member states and experts about the effectiveness, sustainability and good governance aspects of the IFIs’ activities in member states (Dreher 2005; Woods, 2006, p. 70). More specifically, in the case of the Fund and the Bank critique has been expressed concerning the dominance of neoliberalism within the IFIs, their lack of inclusiveness of relevant stakeholders and their actual incentives contradicting their mandates’ aims (Stiglitz, 2002; Taylor, 2004).

This creates a conflict of interests between on the one hand IFIs and on the other hand individual member states and their citizens in need of international financial support (Woods, 2001). This conflict establishes a question on the accurate governance approach for development cooperation (Poulsen, 2011; Woods, 2001). This question will be answered in this thesis by determining the most appropriate approach for IFIs to ensure the effectiveness and fairness in their provision of international financial support. Eventually, the serving role of the IFIs, as accurately pointed out by the former Fund’s chair Christine Lagarde, will be central in the examination of the role of the Fund and the Bank in Tunisia.

Since the Jasmine revolution of 2011, Tunisia went through a successful democratic transition (Hanieh, 2015; Harrigan & El-Said, 2009, p. 112). During this period accountable institutions were established, a decentralization process was enhanced, and individual fundamental rights started to be prioritized (Fraihat, 2016, p. 59). Unless these positive developments in the political domain the economic domain poses some, still to be tackled, greater challenges (UN, 2018). Tunisia is an example of an economic paradox: where the state has been equipped with all necessary means to become an important player in the region, inefficient policies prevent Tunisia from reaching its potential (Rebhi, 2019; World Bank,

2014). Next to the tenacious ineffective pre-revolution economic policies there is also the questionable contribution of IFIs (Lakhal, 2018; Matta et al., 2019). Since the Arab spring of 2010-2011, the amount of loans received by Tunisia and other states in the region in exchange for bringing about the reforms proposed by creditors in the spirit of ‘the democratic transition and an open market economy’ augmented (Lakhal, 2018). Nevertheless, an increasing foreign deficit, inflation and financial dependency have been the result instead of the promised sustainable economic development (Chandoul, 2018; Hanieh, 2015; Matta et al., 2019). This thesis will focus on this case study as the Fund and the Bank as they are the two biggest multilateral donors in the Tunisian context. Besides, Tunisia has been chosen as a case study context, because it can be considered a unique paradoxical case that illustrates well the complexity of international financial support as a whole.

In order to determine the most suitable form of governance this study will examine two main theories in this domain. First of all, there is the approach of Inge Kaul and colleagues of the United Nations Development Program (UNDP) on the concepts of Global Public Goods (GPGs) (Kaul et al., 1999). According to this approach there is the urge for collective action and the international governance of the GPGs in an increasingly interconnected world (Kaul, 2003; Kaul et al., 2013). In this context economic development is regarded as a shared responsibility between developed and developing countries (Kaul et al., 1999; Severino, 2001; Hugh, 1966). However, this is a top-down approach in which a democratic deficit and free riding play a problematic role, as not all relevant stakeholders have been included and there being a power imbalance between states (Brando et al., 2019). Secondly, there is the approach of Elinor Ostrom, which moves beyond the market-state on a global level paradigm by introducing the concept of Commons (Ostrom, 2000). Ostrom puts communities at the centre of the decision-making and governing process of Common-Pool resources (CPR), such as international financial support (Ostrom, 1992; Ostrom et al., 1999). Consequently, she offers a possible solution for the democratic deficit and free riding (Brando et al., 2019). However, this bottom-up approach does require a sufficient level of commitment and management capacities (Brando et al., 2019; Hardin, 1968). In order to ensure these essential aspects, Ostrom (2000) developed eight design principles for the accurate management of the Commons (McGillis & Ostrom, 1996).

On the basis of these two main theories, the research question of this thesis is as following:

‘What governance approach for international financial support is the most appropriate one in order to achieve sustainable economic development?’

In order to answer the research question, I will first establish the lens through which the case study will be analysed. The literature review and theoretical framework will focus on economic development and the role of IFIs in it, GPGs theory and Commons theory. Secondly, the methodology used in this research and the data collected will be discussed, such as the primary data retrieved from the performed questionnaire that relatively measured the Tunisian public opinion on the IFIs. Thirdly, the policies of the Fund and the Bank and their implementation will be analysed in the Tunisian context. This section will next to an evaluation of the case mainly examine the visibility of the implementation of the eight design principles of Ostrom (2000) for the management of international financial support. Finally, a conclusion will be drawn which will answer the research question, highlight the limitations of this research and provide recommendations for the future.

2. Literature review

2.1 Economic development

The discussion on the right approach to manage international financial support is strongly linked to the concepts of economic development as it is the main aim of the IFIs (Woods, 2006, p. 43). However, economic development is problematic in the way it is currently defined (Kremer, 2006, p. 153). Currently, the modernist perception in which economic development is perceived in a neoliberal way is dominant. This perception is mainly defined by the concepts of economic growth and the ability to provide material resources (Feldman et al., 2016). In practise, this perception is connected to the concepts of hegemony, authority and dependency (Bieler & Morton, 2004; Poulsen, 2011). Globalization and the mobilization of public opinion have strongly contributed to this paradigm in which economic development is framed around the fight against poverty by its main actors (Mathieson, 1980; Severino, 2001). Moreover, Taylor (2004) emphasizes the overestimation of IFIs and the almost blind believe that they inherently promote good governance. Peet (2009) brings this statement back to the claim that sovereign states are subjugated to the international financial system in which IFIs play a central role (Cohn, 2005, p. 57; Mearsheimer, 1994). Moreover, these IFIs reflect a certain world order in which hegemony prevails as a result of consent being placed in certain prevailing ideas, social forces and the global division of material resources (Morton, 2003; Underhill & Zhang, 2008). An example of this involvement has been introduced by Dreher (2005) in the case of the Fund, which sets conditions that reform national economic policy and implements ineffective programs in member states. However, Hugh (1966) emphasizes the fact that financial support, in theory, is a demand driven investment of individual states representing the population's interest. Nevertheless, the principle of legitimacy by emphasizing that state consent and equality as well as transparency and public participation are fundamental aspects to guarantee the principle of state sovereignty (Matz, 2005).

Initially, international financial support has been based on ethics, geo-strategy and economics (Severino, 2001). This neo-modernist perception claims that the modernist perceptions routinely fails to explain for the sustainable aspect in economic development and leads to contradictory consequences in the long term (Dreher, 2006; Guerrieri & Padoan, 1986). In the 21st century international financial support namely goes beyond merely assistance to poor states in contrast to what has been proclaimed by the main actors (Mathieson, 1980; Severino,

2001). The current way of providing financial support by the Bank, that consists of loans as well as instruments, has been considered a step in the right direction (Stiglitz, 2002). In this way the Bank obtains a unique position by supporting the maintenance of economic development by creating an incentive for states and private agencies to contribute to collective international issues (Ferroni, 2000, p. 17; Woods, 2001). Under neo-modernists the so called post development discourse grew in the spirit of rethinking economic development (Richards, 2003; Dreher, 2006). In this context, Acs et al. (2008) identifies three stages of economic development according to this perception. The stages move from the first stage of small firms and limited export to an efficient production driven phase marked by the technological development stage (Acs et al., 2008). Ultimately the last stage is characterized by innovation and moves away from smaller firms to an independent service driven society (Acs et al., 2008). This importance to rethink economic development in terms of sustainability is also reflected in relation to the provision of international financial support with the aim of creating sustainable economic growth and stability (Biersteker, 1990; Chaves & Monzón, 2012). More attention has to be given to the variety of stakeholders of the different levels of society and the bringing about of the initial paradigm of international financial support that is connected to ethics, geo-strategy and economics (Biersteker, 1990; Jakšić & Jakšić, 2018; Severino et al., 2010). As IFIs are the major providers of international financial support there is the urge for reform that leads to actual sustainable economic development (Woods, 2006, p. 179).

2.2 Global Public Goods vs Commons

In order to determine if a top-down or a bottom-up approach is more appropriate for the management of international financial support by IFIs the main concepts behind them have to be examined. In an ever globalizing world issues do no longer only affect single states, but often the entire global community as they consist of GPGs (Kaul et al., 2016). Two of the main characteristics of GPGs are ‘the fact that one’s usage of the particular public good does not diminish its availability to others (non-rivalry) and the fact that no one can be excluded from using them (non-excludability)’ (Kaul, 2012, p. 731). The first problematic aspect of GPGs is the fact that those making use of them tempt to free-ride, which means utilizing these goods without contributing to their existence or less than others (Kaul et al., 1999). This is also the case in an international context in which individual states act on the basis of national interests, which are not necessarily in line with resolving global issues. This lack of commitment can lead to potential market failure, a phenomenon that has to be prevented by the accurate management of GPGs (Kaul, 2013).

Concerning the management of GPGs, Brando et al. (2019) states that GPGs have a spill-over effect and are therefore balancing on the thin line between the national and international governance level. However, by defining the legitimate authority efficiency and fairness are leading criteria. Considering the global character of most GPG crises, an international approach will better meet both criteria (Brando et al., 2019). However, this idea of IFIs governing GPGs as states does not offer an explanation in the international context as there is no international sovereign (Kaul et al., 1999). Such a power-over structure, in which IFIs function as an intermediate GPGs providing surveillance to the final GPG of international financial support is the second problematic aspects of GPGs. Ostrom (1992) consequently argues in favour of a bottom-up approach characterized by a power-with structure. She introduces the concept of the Commons which argues that the authority which is the closest to the source bears the authority in the decision-making process (Ostrom, 1992).

This approach would eventually overcome the third problematic aspect of GPGs, namely the democratic deficit (Brando et al., 2019). It would move the authority level from states, and likewise functioning institutions, to those directly involved in the provision of the particular CPR, such as the local population and their plural mechanisms (Ostrom, 1992). Nevertheless, by moving the governance to a more local level one cannot necessarily claim to have overcome the democratic deficit, because one is never ensured that sustainable provision of the CPR will be the driving force behind this local model (Brando et al. 2019). Moreover, there is the management challenge related to the assumption proclaimed in the economic model of Adam Smith stating the ultimate goal of “the greatest good for the greatest number” (Hardin, 1968, p. 1243). This maximization of both variables at the same time would lead to overutilization and competitive individualism as a result of mismanagement of the Commons (Hardin, 1968, p. 1244).

Initially, individualism is cherished to a greater extent in the management of Commons than it is in the management of GPGs as it increases the experience of individual freedom by including multiple stakeholders in its governance (Hardin, 1998). However, this experience of individual freedom is conditional as exceeding the capacities of a society in terms of resources restricts the freedoms of the community (Hardin, 1968, p. 1244). In order to overcome the phenomena of overutilization and competitive individualism in the management of the Commons a communal interest has to be created to stimulate collective action (Ostrom, 2000). Moreover, Ostrom (2000) offers a management framework consisting of eight design principles that ensure the accurate management of Commons in these regards.

3. Theoretical framework

3.1 Conceptualization

Economic development

Economic development is mainly defined as economic growth, that includes concepts as GDP, foreign debt and inflation rates (Severino, 2001). However, economic development in terms of development cooperation moves beyond this numerical paradigm by also including the aspects of sustainability and independence (Dreher, 2006; Richards, 2003). This combination does move away from the merely modernist perception of economic development by also focussing on long-term structural development. In this neo-modernist model, the IFIs actual aim of reaching economic development that benefits the global community as a whole becomes central (Ferroni, 2000; Woods, 2001). This model that comes together with the following phases of state development: factor-driven, efficiency-driven and ultimately innovation-driven stage (Acs et al., 2008).

Global Public Goods

The concept of GPGs has first been discussed in the context of neoclassical economic theory by Paul Samuelson (Samuelson, 1954). Due to their non-excludability and non-rivalry aspects they are affected by free-rider and collective action issues and consequently surrounded by under provision (Kaul, 2012; Kaul et al., 1999). In order to tackle these issues, a coercive authority is necessary to ensure a communal contribution (Kaul, 2013). As the global aspect merely refers to the goods accessibility there are three major weaknesses (Brando et al., 2019). The absence of a state-like entity, the exclusion of certain actors from the decision-making process and the lack of incentives to participate in the production and financing of GPGs by the liable actors (Ostrom et al., 1999).

Commons

Unlike GPGs, Commons are rival in their consumption, what makes Commons that are freely available to everyone easy to become over utilized (Hardin, 1968, p. 1244). In order to overcome this issue and enforce the communal interest Ostrom (2000) argues in favour of eight design principles for the management of Commons. These principles guarantee clear boundaries, restrictions regarding the amount, time and technology used to manage CPRs, and

the inclusion of those directly affected by the rules surrounding the Commons (McGillis & Ostrom, 1996; Ostrom, 1998; Ostrom et al., 2012;). Wilson et al. (2012) underlines the generalizability of these design principles by stating their utility as a practical guide to improve group efficacy and prevent the privatization of Commons. This statement underlines Ostrom et al. (1999) that there is a necessity to apply the local lessons to the global level.

3.2 Theoretical argument

Economic development is currently mainly perceived in a neo liberal way, what means that economic growth, a decreasing foreign debt and investment play an important role in defining the phenomenon (Feldman et al., 2016). In this context, international financial support is currently managed in the form of a global GPG (Kaul, 2012). However, this top-down approach does not lead to sustainable economic development in the context international financial support (Bieler & Morton, 2004; Cohn, 2005, p. 4). At the moment, IFIs such as the Fund and the Bank are the intermediate GPGs that aim at realizing sustainable economic development (Taylor, 2004). Nevertheless, as the current approach of these IFIs merely leads to debts, dependency and hegemony this aim is not achieved (Woods, 2006). Economic development should therefore be focused on the efficiency of the policies and the aspect of fairness to overcome the lack of an international sovereign and democratic deficit (Brando et al., 2019). More concrete, the states long term needs should be at the centre of the policy development process (Ostrom, 1998).

Consequently, the governing of international financial support as currently managed by the Fund and the Bank should be done according to the Commons model of Ostrom (Ostrom, 2000; Ostrom et al., 2012). This model overcomes the phenomenon of overutilization, a lack of communal commitment to contribute to their provision and a democratic deficit, on the basis of the following eight design principles (Ostrom, 2000):

First of all, there have to be clearly defined jurisdictional boundaries that legally guarantees the existence of the CPR, such as international financial support. Secondly, clearly defined rules on the access and use of CPRs have to be formulated to prevent overutilization and inefficiency. Thirdly, as all stakeholders should be represented in the decision-making process procedures to make collective choices should be in place. Fourthly, a mechanism to be able to monitor the process in all its stages should be created. Fifthly, sanctions to account for free-riders should be established. Sixthly, a conflict-resolution mechanisms to ensure consensus should be in place. Seventhly, the state's right to self-organisation should be recognized and

consequently sovereignty should be respected to prevent hegemony from playing a role in the policy creation. Finally, there should be multiple layers of nested enterprises to have an sustainable effect and representative approach (Ostrom, 1998). In this way local approaches will be generalized and transformed into an international approach to the provision of international financial support by IFIs (Ostrom et al., 1999; Wilson et al., 2012) .

3.3 Hypothesis

Based on these theories, the hypothesis will focus on the relation between IFIs and economic development. Currently, international financial support is treated as a top-down GPG what makes that financial support provided by these IFIs unsustainably enhance economic development. Consequently, another approach that enhances sustainable economic development is needed, namely a bottom-up Commons approach. The tested hypothesis of this thesis will therefore be as following:

H₁: A bottom-up Commons governance approach for the management of international financial support would lead to more sustainable economic development.

The hypothesis will be tested upon the basis of a critical analysis of the policies and structure of the Fund and the Bank, and the primary data retrieved from the questionnaire that tests the eight design principles of Ostrom in the context of these IFIs in Tunisia.

4. Methodology

4.1 Case selection

The Fund and the bank act, according to critics, as bastions of capitalism and globalization while bringing about the neoliberal political interests of their main stakeholders (Woods, 2006, p. 9). Nevertheless, their mandates characterize them as monitors of the financial and monetary global market and facilitators of balanced international economic growth (Marchesi & Sirtori, 2011; Stiglitz, 2002). This contradiction raised the question of what has to be done to make these IFIs reach their initial aims and make the international community and individual states as such benefit from their existence (Taylor, 2004; Woods, 2001). In this case study I will discuss the working of the Fund and the Bank in the context of Tunisia.

Tunisia is an example of an economic paradox: where the country has been equipped with all necessary means to become an important player in the region, inefficient policies prevent Tunisia from reaching its potential (World Bank, 2014). Since the Arab spring of 2010-2011, Tunisia like other states in the MENA region have been subject to the so called Deauville Partnership with the G8 countries, Turkey, the Gulf countries, and the Fund and Bank (Chandoul, 2018). The partnership focussed on the four priorities of stabilization, job creation, participation and integration, and made international financial support easier assessable for the involved 'Arab Countries in Transition' (Lakhal, 2018).

However, the lack of structural and efficient reforms in, among others, the banking and agricultural sector make that unless all the investments Tunisia lacks the ability to become economically successful (World bank, 2014). This is statistically illustrated by the fact that the real GDP for 2020 will decrease with 4.3%, whereas the outstanding purchases and loans amounted to 1242.29 million with an inflation rate of 6.2% in March 2020 (International Monetary Fund, 2019; 2020). Moreover, the developments surrounding the Covid-19 pandemic worsened the economic perceptions drastically (International Monetary Fund, 2019). An increasing foreign deficit, inflation and financial dependency are the result instead of the promised sustainable economic development (Hanieh, 2015).

At the moment, this top-down approach in which the Fund and the Bank play a dominant role lacks efficiency and fairness in terms of inclusivity. These flaws do have a serious impact on the state's ability to become financially independent, the main aim evocated by the state as well as the Fund and the Bank (Rebhi, 2019). The discussion on the accurate form of

management of these resources (top-down or bottom-up) is extremely relevant as it concerns the entire global community. The Fund and the Bank being two of the most influential financial actors in the international context and the different view on their functioning makes them ideal to study in terms of governance. The fact that Tunisia has a long history with both institutions, went through a democratic transition, and is part of the institutions Arab Spring strategy that comes with strategic interests makes it a deviant case. It's complexity and multiple layers of analysis make it possible to illustrate all the components of the theories used in a convincing way.

4.2 Research Design

The research will be a case study analysis, which in this research is based on a detailed description of one of case which tests whether the variables act as the hypothesis predicts (Collier, 2011). Furthermore, in this thesis the theory of confirming or infirming the case study will be used to test the hypothesis (Lijphart, 1971). The fact that the study focuses on one case study has to do with the benefits of it being possible to translate observations into facts, it resulting in a concise research that goes into depth and the findings being accessible and useful for all the parties involved (Simons, 2014). Nevertheless, the external validity of the study will be limited, what means that the generalizability of the study is limited because of the usage of a specific case.

The research will be performed as following: Firstly, I will identify the key problems and issues that form the basis of the rest of the analysis by describing the shortages of the Fund and the Bank in the Tunisian context. I will provide more in depth knowledge on the background of the IFIs based on their policies by analysing the country reports and periodical loan reviews examining the economic development of Tunisia. The focus of this study is the period after the Jasmine revolution, this means that I will make use of documentation of the period 2011-2020. The main documents I will use in this section are the first Stand-By Arrangement (SBA) review of 2013, the first Extended Fund Facility (EFF) arrangement review of 2017, the fifth EFF arrangement review of 2019 and the 2020 press release on the rapid financing instrument to analyse the role of the Fund. These policy documents give an in depth analysis of the Fund's loan provision, its impact and a thorough analysis of the political economic developments in Tunisia. In order to analyse the role of the Bank, I will mainly make use of the country report of the Bank of 2014, which is considered by experts to be one of the most elaborated reports on Tunisia.

Furthermore, the evaluation of the case will take place in which the focus will lay with effectiveness in terms of sustainable economic development and the fairness in terms of accurate management of funds and implementation of policies. This section will discuss the currently problematic aspects and highlight political and economic phenomena that have an influence on them. I will be using academic literature and opinion papers on the hegemony within the Fund and the Bank, the lack of inclusiveness of stakeholders and to Tunisia specific policy issues and their economic consequences. The academic literature I will use is mainly focussing on the need for reform of the institutions as they do not bring about the results aimed for in the case of Tunisia and beyond. Some of the main works I will use are by Woods (2006), as she offers a very in depth and well balanced general overview of the IFIs pitfalls, and Dreher (2005) as he focusses on conditionality and the IFIs threat to sovereignty two aspects that are closely linked to the viciou spiral of debts, dependency and hegemony. In order to be able to get a better understanding of the IFIs role in the Tunisian context, I will make use of the works of Harrigan & El-Said (2009) and Hanieh (2015). These authors discuss the political and economic incentives behind the IFIs policies in the MENA region. However, in this section the public opinion plays an essential role as a bottom-up approach is the key element of the hypothesis of this research. Therefore, different opinion reports written by experts on the IFIs role in Tunisia that form part of different renown Tunisian think tanks, such as Barr al Aman and Nawaat, will be used to introduce this perspective. However, the primary data retrieved through the questionnaire does offer a first-hand indication of the public opinion and will in this section be used to describe the problematic aspects of the IFIs according to the respondents.

Finally, based upon these outcomes I will argue in favour of the hypothesis that a bottom-up approach would be more suitable to overcome the currently existing issues. This will be done according to the eight design principles of Ostrom (2000) that form the basis for the efficient and fair management of Commons. In the previous section the current top-down GPG approach and its pitfalls has been established and in this section the alternative of a bottom-up Commons approach will be tested. Testing these eight principles will be done on the basis of the responses to the questionnaire that tested the public opinion towards the Tunisian economy, the role of the Fund and the Bank in it and management adjustments of the IFIs. Consequently, the results of the questionnaire offer a good overview on the general public opinion and form the main asset of this research.

4.2.1 Operationalization

In order to test this correlational relationship between the variables involved the operationalization of the concepts in section three of this thesis it is essential to accurately define them in measurable terms. In addition, principles that are directly connected to these operationalisations will serve as indicators to test the hypothesis.

Table 1. Conceptualization & Operationalization

Concept	Conceptualization	Operationalization	H ₁ evidence
Economic development	Improvement of economic growth in a sustainable and context efficient manner	<ul style="list-style-type: none"> -The development results in economic growth; -The development results in a reduction of a state's foreign debt; -The development results in reducing inflation; -The economic development includes all relevant stakeholders; -The economic development is led by neoliberal hegemony, but specified to the states and international community's needs 	In order to achieve sustainable economic growth as stated in H ₁ all aspects of the opalization have to be met in theory. However, in practice the aspect of hegemony it concerning more than the case study alone can remain unsatisfied.
Global Public Goods	Non-rival and non-excludable goods managed through a top-down approach	<ul style="list-style-type: none"> -The good is prone to the phenomenon of free riding; -The management of the good is limited in its inclusivity regarding stakeholders affected by its provision and therefore includes a democratic deficit; -The good is merely global in its provision as there is no international sovereign 	In order to prove that a top-down approach is not suitable all aspects have to be identified in the current context of Tunisia and theoretical solutions have to be offered. However, the aspect on global provision can remain unsatisfied as it is not separately tested in the case study.
Commons	Rival and excludable goods managed through a bottom-up approach	<p>Their management can meet to the following eight design principles of Ostrom:</p> <p><i>Ensuring collective action</i></p> <ul style="list-style-type: none"> -clearly defined jurisdictional boundaries; -clearly defined rules on access and use; -procedures to make collective choices are in place; <p><i>Overcoming overutilization</i></p> <ul style="list-style-type: none"> -the process can be monitored; -there are sanctions for free-riders; -there are conflict-resolution mechanisms in place; <p><i>Counterbalancing hegemony</i></p> <ul style="list-style-type: none"> -the state's right to self-organisation is recognized; -there are multiple layers of nested enterprises 	In order to see the visibility of a bottom-up approach and test H ₁ in practical terms two aspects of each subcategory have to be theoretically satisfied.

4.3 Methods of data collection

The research method used will be a mixed method approach, what means that the data used will compose of multiple components. On the one hand, secondary data, such as national

policy documents and statistics provided by the Fund and the Bank, academic research papers analysing the functioning and incentives of the IFIs and opinion papers criticizing both institutions in the context of Tunisia are essential to support the arguments made. On the other hand, primary data will be retrieved from the online questionnaire. The last component has been distributed in Arabic, French and English under Tunisians and composed of multiple choice question aiming to respectively measure the public opinion towards the functioning of the Fund and the Bank in the Tunisian context. The questionnaire is composed of six questions measuring independent variables of the respondents, such as their age, job position and voting behaviour in the 2019 elections. These questions have been followed up by seventeen questions measuring Tunisian individual's opinion towards the Fund and the Bank, hegemony and economic development, and different management settings for international financial support. This questionnaire has been filled in by almost 76 Tunisian nationals, mainly in the age range of 20-49 with an almost 50% men-women division, and working in sectors ranging from finance to international cooperation to the technical sector (See appendix part 1).

4.4 Methods of data analysis

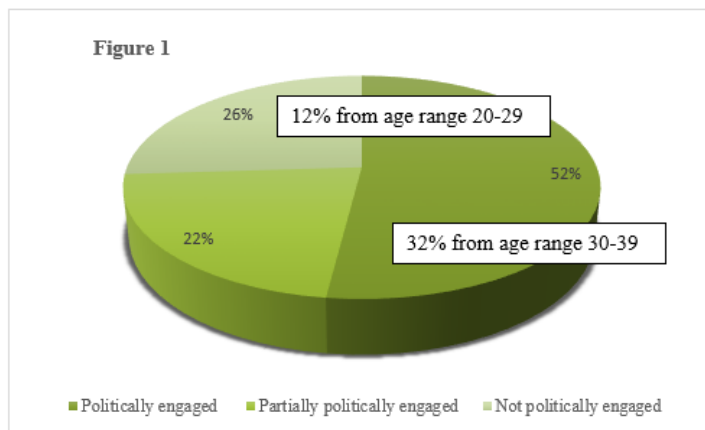
First of all, the role of the Fund and the Bank has to be explained in terms of the governance of CPR, this will be done by testing their effectiveness and fairness. By using the secondary data mentioned in the previous section (section 4.3) in combination with the literature in the literature review the currently existing framework will be identified. These observations will be tested by the Tunisian context that serves as a given that has to be explained for as well. This will result in a research method of process tracing as existing theories will be tested on the basis of a case study (Beach, 2017). Consequently, a theory will be constructed that explains for the current situation and provides an alternative in terms of governance and the Tunisian context through abductive reasoning. This reasoning will be supported by academic literature describing the IFIs working, and policy reports accounting in combination with opinion papers based on the primary data obtained through the questionnaire. The limitations that have to be taken into account are the fact that I made use of a small selection of the policy reports and limited myself to the timeframe 2011-2020 what leaves out significant history. Moreover, due to time limitations the questionnaire had to be distributed and the data collected within three weeks what means the obtained data could have been more extensive.

5. Case study analysis

5.1 Evaluation of the case

In 2013, Tunisia requested a SBA with the Fund of US\$1.75 billion to realize short term stabilization goals, such as reducing the unemployment rate, and building fiscal and external buffers after the revolution (International monetary Fund, 2013). This arrangement has instantly been followed up by an EFF arrangement of US\$2.9 billion in 2016 aiming at supporting the government's reform program and among others reducing the fiscal deficit with the ultimate aim of stabilizing the public debt below 70 percent of the GDP by 2020. This would be done by rising investment and social spending, as well as increasing the flexibility of the exchange rate and maintaining inflation below 4 percent (International monetary Fund, 2017). However, based on the fifth review under the EFF arrangement we can conclude that the inflation rate stagnated at 6.9 percent what also resulted in the rise of the public debt up to 77 percent of the state's GDP. This indicates that the set objectives in terms of economic growth have not been reached throughout these programs (International monetary Fund, 2019). Next to the loans of the Fund, the Bank has also since 2011 started to play a more intensified role in Tunisia through their so called International Bank for Reconstruction and Development (IBRD) mechanism (World Bank, 2019). The total lending at project level between 2011 and 2020 amounts to more than US\$4.5 billion, and aims at the creation of economic opportunities, especially for the youth with a focus on the inland region. Furthermore, the stimulation of technological development to improve the service sector has to stimulate domestic productivity in the food and energy sector. All of these objectives fit perfectly within the framework of the earlier mention Deauville Partnership and would theoretically lead to economic development. Nevertheless, in conjunction with other multilateral actors the Fund and the Bank account for 35 percent of the average yearly rise of 16.84 percent of the public debt since 2013 (The Arab Weekly, 2020).

These numbers show that the earlier expressed concerns about the Tunisian economic development are well founded. The performed questionnaire underlines this statement, 42.0 percent of the respondents namely indicate to have serious concerns about the Tunisian economy (See appendix part 2, Q9). This concern is especially present under politically engaged and critical respondents in the age category 30-39, as 32.0 percent of this group voted in both elections of 2019 and gave a satisfaction rate below five out of ten to the outcome of the elections (See figure 1).



The current visual circle of financial dependency can be explained by the inability to achieve long term structural reform (Dreher, 2005; World Bank, 2014). Budget deficits and monetary expansion decrease when the program is running, however, the

provision of loans on a repetitive basis leads to ineffectiveness (Dreher, 2005; Easterly, 2005). Moreover, the state's inflation has been increasing due to the fact that Tunisia's import quota exceeds its export quota and the loans having to be repaid, including interest rate, in US\$ instead of Tunisian Dinars (TND) (Masmoudi & Charfi, 2013). This leads to a limitation of the liquidity of the TND (Simoès, 2010). Moreover, low investment taxes and free trade agreements established to attract foreign capital, shrinking corporate tax revenues due to less productivity, and an inflated public sector bill as a result of a massive hiring to counter unemployment lead to self-inflicting economic constraints (Matta et al., 2019; Rebhi, 2019).

In terms of fairness, The Fund and the Bank emphasized the aspects of social inclusion and voice reveal in their aim of moving away from neoliberalism and prioritizing transparency and accountability in pre-2011 programs (Fraihat, 2016; Kotz, 2010). However, this has to be taken with some scepticism as it can better be characterized as “an attempt to strengthen an appearance of popular ‘buy in’ for unpopular policies” (Hanieh, 2015). The priorities namely remain with private-sector driven growth, fiscal austerity focussing on subsidy and pension reforms, and the liberalisation of financial and labour markets (Harrigan & El-Said, 2009; Masmoudi & Charfi, 2013). Whereas neoliberalism has been projected as the motor of growth for all states by the IFIs, it cannot be denied that global economic stability as the main aim of the IFIs is defined by the underlying assumptions that merely benefit certain industrialised states at the expense of other developing states (Mueller, 2010). The questionnaire affirms the existence of these presumptions as the majority of the 63.8 percent of the respondents believes that IFIs are used as political tools that do act upon particular political interests that are not necessarily in the state's best interest (See appendix part 2, Q17 & Q18). The question of the presence of hegemony in the current international financial system has been further researched in the context of conditionality as the majority of 53.2 percent of the respondents are aware of the principle of conditionality and convinced that it is an essential aspect of the loan provision

by the IFIs even though according to them it seriously challenges the principle of sovereignty (See appendix part 2, Q14). This statement is further confirmed by the fact that political determinants such as a pro-Western regime and up-coming democratic election do play a significant role in the granting of loans to by the Fund and the Bank (Dreher, 2002; Shapiro, 2019). Consequently, there is a bias in the selection of receivers by the IFIs that can be slightly influenced by the states themselves in their policy agenda by showing the willingness to fit in the neoliberal framework of the IFIs (Hanieh, 2015; Harrigan & El-Said, 2009).

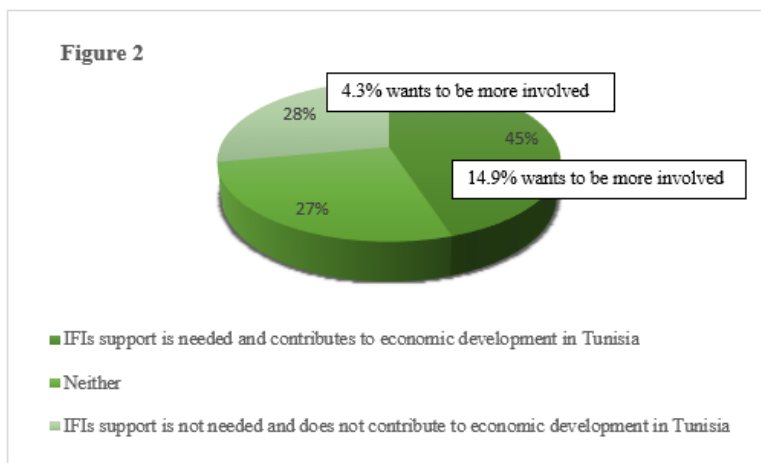
5.2 Possible changes & solutions

In order to make the policies of the Fund and the Bank more effective and fairer international financial support should not be treated as a final GPG by the IFIs. Another approach that is better suitable for the international context, that overcomes free riding and tackles the democratic deficit better. Treating international financial support as a Commons, that offers a bottom-up approach instead of a top-down approach would therefore be considerable. However, for this approach to be sustainable and overcome the problematic aspects of Commons it has to adhere to the eight design principles of Ostrom (2000). In this thesis, they have been categorized into three sub categories, namely *'ensuring collective action'*, *'overcoming overutilization'* and *'counterbalancing hegemony'*.

5.2.1 Ensuring collective action

First of all, there is the need to stimulate fairness and effectiveness by including all the relevant stakeholders and guarantee their commitment to the collective action problem. This goes together with the following three design principles of Ostrom (2000), namely the definition of jurisdictional boundaries, the definition of rules on access and use of the CPR, and there being procedures to make collective choices.

The importance of a bottom-up approach is emphasized by the fact that the respondents majority of 40.0 percent to the questionnaire believes the national government can best determine the financial support needed (See appendix part 2, Q19). However, the majority of 79.2 percent of the respondents believes that the management of international financial support should also include NGOs, CSOs and other local stakeholders (See appendix part 2, Q22). This puts national governments in conjunction with NGOs, CSOs and other local stakeholders at the centre of the decision-making process of international financial support.



This statement is supported by the fact that the majority of 14.9 percent of the respondents believes that international financial support provided by IFIs is needed to improve the Tunisian economy, but that Tunisian civilians should to a greater

extent be included in the negotiation process between the Fund, Bank and national government (See figure 2).

This indicates an awareness and willingness of the respondents to actively participate in resolving this collective action problem and set a new management structure. However, bringing about structural reforms in the IFIs has been difficult as it simply is not in the interest of their staff and major stakeholders, nor is there enough urgency from the international community (Peet, 2009).

5.2.2 Overcoming overutilization

Secondly, there is the need to safeguard the effectiveness of international financial support in terms of realizing sustainable economic development. This goes together with the following three design principles of Ostrom (2000), namely closely monitoring the implementation of the policies, sanctioning free rider behaviour of stakeholders and creating conflict-resolution mechanisms to solve program implications.

Limiting both IFIs mandates by letting the Fund no longer lend for development purposes and the Bank no longer start engagements on the basis of financial crisis lending would create more specialisation within the IFIs and stimulate cooperation (Marchesi & Sirtori, 2011; Woods, 2006; p. 6). This aspect of closer monitoring is of essential importance to overcome misdiagnosed support, according to a majority of 66.0 of the respondents to the questionnaire (See appendix part 2, Q16). This would have a positive influence on the IFIs credibility as well as the member states economic development (Easterly, 2005; Matz, 2005).

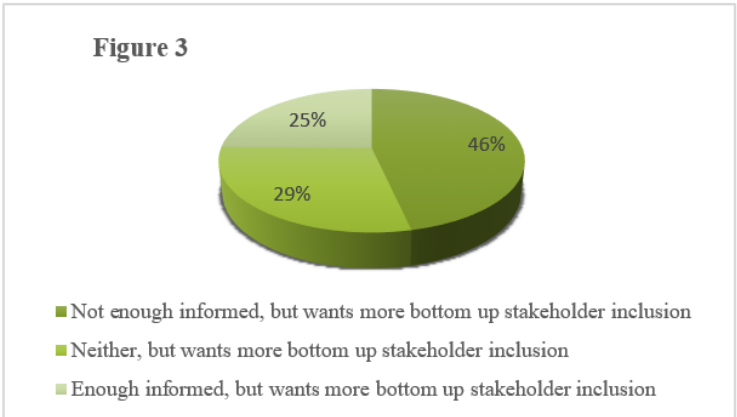
The aspect of conditionality is considered to be essential according to the responses to the questionnaire as the majority of 32.9 percent of the respondents finds it a vital aspect of the provision of international financial support by IFIs (See appendix part 2, Q14). Deciding upon

conditionality on an ex-ante basis would, however, stimulate efficiency as it would mean that the set conditions by the IFIs would be based on the forecasts rather than on the actual results (Vaubel, 1991; Dreher, 2006). This approach could improve economic policies on a more permanent basis by increasing compliance and limiting the provision of repetitive adjustment loans when conditions have not been met (Dreher, 2005). Moreover, setting penalties for non-compliance through, among others, increasing interest rates or including the compliance ratio as a criteria for future selection would be other measures that could lead to more sustainable economic development (Dreher, 2002). This would limit free riding of states within the framework of the IFIs and create solutions for program implications and prevent ineffective repetitive investments.

5.2.3 Counterbalancing hegemony

Thirdly, there is the need to safeguard the fairness in terms of limiting the hegemony that currently surrounds the IFIs. This goes together with the following two design principles of Ostrom (2000), namely recognizing the state’s right to self-organization and there being multiple layers of nested enterprises to overcome the democratic deficit.

According to the performed questionnaire it becomes clear that the majority of 46.0 percent of the respondents does currently not feel to a sufficient extent informed about the role of the Fund and Bank by the Tunisian national government (See figure



3). However, this same group simultaneously would like to have more of a say as a Tunisian citizen in the decision-making process. Consequently, there is the urge for more inclusiveness from the side of the Fund and the Bank and national government by paying more attention to NGOs, CSOs and other local stakeholders (Jakšić & Jakšić, 2018; Woods, 2006, p. 200). Next to the creation of collective action, inclusiveness could be partly met by recognizing the importance of informing the public about the set conditions, their implementation and the reasons for additional instalments (Dreher, 2005; Woods, 2006, p. 208). This demand for inclusiveness is also visible by the growing amount of protests as the implemented reforms, such as a rising VAT and public sector freezes, have a direct effect on the poorest and middle

class (Chandoul, 2018). However, the current status quo is based upon historic blocks existing as from the existence of the IFIs and lead by neoliberalism (Bieler & Morton, 2004; Morton, 2003). Changing this status quo therefore urges for a very broad support base including the international community and the right occasion in terms of a changing society (Carroll, 2007).

Table 2 Overview results

Operationalization	H₁ evidence	Results
<ul style="list-style-type: none"> -The development results in economic growth; -The development results in a reduction of a state's foreign debt; -The development results in reducing inflation; -The economic development includes all relevant stakeholders; -The economic development is led by neoliberal hegemony, but specified to the states and international community's needs 	<p>In order to achieve sustainable economic growth as stated in H₁ all aspects of the opalization have to be met in theory. However, in practice the aspect of hegemony it concerning more than the case study alone can remain unsatisfied.</p>	<p>Satisfied</p> <p>However, merely in theoretical terms as there is no proof that a bottom-up approach does necessarily lead to the first three aspects (economic growth; reduction of foreign debt; reduction of inflation)</p>
<ul style="list-style-type: none"> -The good is prone to the phenomenon of free riding; -The management of the good is limited in its inclusivity regarding stakeholders affected by its provision and therefore includes a democratic deficit; -The good is merely global in its provision as there is no international sovereign 	<p>In order to prove that a top-down approach is not suitable all aspects have to be identified in the current context of Tunisia and theoretical solutions have to be offered. However, the aspect on global provision can remain unsatisfied as it is not separately tested in the case study.</p>	<p>Satisfied</p> <p>The first two aspects have been identified in the case study (inefficiency and unfairness) and do not lead to sustainable economic development.</p>
<p>Their management can meet to the following eight design principles of Ostrom:</p> <p><i>Ensuring collective action</i> <i>Overcoming overutilization</i> <i>Counterbalancing hegemony</i></p>	<p>In order to see the visibility of a bottom-up approach and test H₁ in practical terms two aspects of each subcategory have to be theoretically satisfactory.</p>	<p>Ensuring collective action -Theoretically satisfied Overcoming overutilization -Theoretically and practically satisfied Counterbalancing hegemony -Theoretically and practically satisfied</p>

6. Conclusion

Currently, international financial support is considered to be a Global Public Good (GPGs) as it is non-excludible, non-rivalry and global in its provision as explained by the model of Kaul (2012). International Financial Institutions (IFIs) are consequently considered to be intermediate GPGs, however, this conflicts with the fact that only states can manage GPGs. Moreover, as certain states profit more from the current international financial support structure than others this constitutes a free riding problem in terms of benefits, as some states pay for the benefits of other states. However, in the case of international financial support provided by IFIs a clear pattern can be identified as mainly states that are favourable towards democratic reforms and plan on having democratic elections have been receiving loans on a repetitive basis.

Furthermore, there is the fact that political incentives of the major international actors in the terms of political and material power play a determining role in the policy creation of these IFIs. The case study of the International Monetary Fund (Fund) and the World Bank (Bank) in Tunisia demonstrated these aspect by showing the unbeneficial results of the neoliberal policies implemented since 2013. Increasing debts due to repetitive loan provision, no structural results leading to financial independence and neoliberal incentives have led to serious economic consequences. Even so, the current top-down approach creates a democratic deficit in that not all relevant stockholders have been included in the decision-making process of the IFIs. This lack of inclusivity has in the case study explicitly been demonstrated by the data retrieved from the questionnaire that clearly emphasized the urge of the Tunisian public for wider stakeholder involvement.

In order to improve the effectiveness and fairness of the management of international financial support by IFIs, it accurately leading to sustainable economic development for Tunisia and the international community another approach is needed. The current top-down approach leads to increasing debts, dependency and stimulates hegemony. A bottom-up approach that takes into account the international nature of the financial support, the need for collective action, but at the same time tackles the democratic deficit by making the management processes more inclusive is recommended. However, this approach is only workable if it ad hears to the eight design principles of Ostrom (2000). The case study shows that especially theoretically this would be possible as all the requisites are present in the case of Tunisia, according to the academic literature and opinion papers, but mainly the questionnaire used. So, a bottom-up

Commons approach to international financial support would lead to more sustainable economic development.

Future research should further specify the exact composition of this Commons approach in the context of Tunisia as no specific design structure has been developed yet. Moreover, the research showed that the public will for a bottom-up approach is strong. This means that it would be interesting to build further upon this research by diving more into depth and performing it on a bigger scale to obtain more reformative data and raise more awareness on the topic itself. Moreover, as this research is limited to one case study it would for future research be interesting to compare several cases under the Deauville Partnership to see if this correlation of variables can be made explicit and the theory can be further generalized.

However, this research is unique in that it shows evidence for the theory of Kaul (2012) on GPGs and Ostrom (2000) on Commons simultaneously. Furthermore, the research dives into international development cooperation, a domain in which in comparison to other Common-Pool Resources (CPR) areas quite limited GPGs and Commons research has been performed. Finally, the case study selection of this research adds significantly to the existing knowledge on Tunisia's economic development. A lot has been written about the ineffectiveness and unfairness of the policies of the Fund and the Bank, but context specific not so much academic work has been written on Tunisia. Hopefully, this research gives a good insight on the existing challenges and specifically evocates the public opinion it being key to a future bottom up approach.

7. Bibliography

Acs, Z. J., Desai, S., & Hessels, J. (2008). Entrepreneurship, economic development and institutions. *Small business economics*, 31(3), 219-234.

Beach, D. (2017). *Process-tracing methods in social science*. In Oxford Research Encyclopedia of Politics.

Bieler, A., & Morton, A. D. (2004). A critical theory route to hegemony, world order and historical change: Neo-gramscian perspectives in international relations. *Capital & class*, 28(1), 85-113.

Biersteker, T. J. (1990). Reducing the role of the state in the economy: A conceptual exploration of IMF and World Bank prescriptions. *International Studies Quarterly*, 34(4), 477-492.

Brando, N., Boonen, C., Cogolati, S., Hagen, R., Vanstappen, N., & Wouters, J. (2019). Governing as commons or as global public goods: two tales of power. *International Journal of the Commons*, 13(1), 553-577.

Carroll, W. (2007). Hegemony and counter-hegemony in a global field. *Studies in Social Justice*, 1(1), 36-66.

Chandoul, J. (2018, January 17). The IMF has choked Tunisia. No wonder the people are protesting. *The Guardian*. Retrieved from <https://www.theguardian.com/commentisfree/2018/jan/17/imf-tunisia-people-rioting-2011-economic-reforms>

Chaves, R., & Monzón, J. L. (2012). Beyond the crisis: the social economy, prop of a new model of sustainable economic development. *Service Business*, 6(1), 5-26.

Cohn, T.H. (2005). *Global political economy: Theory and practice*. Pearson.

Collier, D. (2011). Understanding process tracing. *PS: Political Science & Politics*, 44(4), 823-830.

Dreher, A. (2002). The development and implementation of IMF and World Bank conditionality.

Dreher, A. (2005). Does the IMF influence fiscal and monetary policy?. *The Journal of Policy Reform*, 8(3), 225-238.

Dreher, A. (2006). IMF and economic growth: The effects of programs, loans, and compliance with conditionality. *World Development*. 34(5), 769-788.

Driscoll, D. D. (1995). *The IMF and the World Bank: How do they differ?*. International Monetary Fund.

Easterly, W. (2005). What did structural adjustment adjust?: The association of policies and growth with repeated IMF and World Bank adjustment loans. *Journal of development economics*, 76(1), 1-22.

Feldman, M., Hadjimichael, T., Lanahan, L., & Kemeny, T. (2016). The logic of economic development: A definition and model for investment. *Environment and Planning C: Government and Policy*, 34(1), 5-21.

Ferroni, M. (2000). *Reforming foreign aid: The role of international public goods*. Washington, DC: World Bank.

Fraihat, I. (2016). *Unfinished revolutions: Yemen, Libya, and Tunisia after the Arab spring*. Yale University Press.

Guerrieri, P. & Padoan, P. C. (1986). Neomercantilism and international economic stability. *International Organization*, 40(1), 29-42.

Hanieh, A. (2015). Shifting priorities or business as usual? Continuity and change in the post-2011 IMF and World Bank engagement with Tunisia, Morocco and Egypt. *British Journal of Middle Eastern Studies*, 42(1), 119-134.

Hardin, G. (1968). The tragedy of the commons. *Science*, 162, 1243-1248.

Hardin, G. (1998). Extensions of "the tragedy of the commons". *Science*, 280(5364), 682-683.

Harrigan, J., & El-Said, H. (2009). *Aid and power in the Arab world: IMF and World Bank policy-based lending in the Middle East and North Africa*. Springer.

Hugh T. P. (1966). Financial development and economic growth in underdeveloped countries. *Economic Development and Cultural Change*, 14(2), 174-189.

International Monetary Fund. (2010, January 22). The fund's mandate: An overview. *Strategy, Policy and Review Department*.

International Monetary Fund. (2013). *Tunisia: Request for Stand-By Arrangement: staff report; press release on the executive board discussion; and statement by the executive Director for Tunisia*. (Country Report No. 13/161). Washington, DC: IMF Middle East and Central Asia Department.

International Monetary Fund. (2019). *Tunisia: Fifth review under the Extended Fund Facility, and requests for waivers of nonobservance and modification of performance criteria and for rephrasing of access*. (Country Report No. 19/223). Washington, DC: IMF Middle East and Central Asia Department.

International Monetary Fund. (2020, March 25). *Factsheet: The IMF and the World Bank*. Retrieved from <https://www.imf.org/en/About/Factsheets/Sheets/2016/07/27/15/31/IMF-World-Bank>

International Monetary Fund. (2020). *Tunisia: Request for purchase under the Rapid Financing Instrument-press release; staff report; and statement by the Executive Director for Tunisia*. (Country Report No. 20/103). Washington, DC: IMF Middle East and Central Asia Department.

IMF Communications Department. (2017). IMF Executive Board completes first review under the Extended Fund Facility (EFF) arrangement with Tunisia [Press Release]. Retrieved from <https://www.imf.org/en/News/Articles/2017/06/12/pr17217-imf-executive-board-completes-first-review-under-eff-arrangement-with-tunisia>

Jakšić, M., & Jakšić, M. (2018). Inclusive institutions for sustainable economic development. *Journal of Central Banking Theory and Practice*, 7(1), 5-16.

Kaul, I., Grunberg, I., & Stern, M. A. (1999). *Defining global public goods. Global public goods: international cooperation in the 21st century*, Oxford University Press.

Kaul, I. (2012). Global public goods: Explaining their underprovision. *Journal of International Economic Law*, 15(3), 729–750.

Kaul, I. (2013). Global public goods. A concept for framing the post-2015 agenda?. *Discussion Paper German Development Institute*, 2, 1–38.

Kaul, I., Conceição, P., Le Goulven, K., & Mendoza, R. U. (Eds.). (2003). *Providing global public goods: Managing globalization*. Oxford University Press.

Kaul, I., Blondin, D., & Nahtigal, N. (2016). *Understanding global public goods: Where we are and where to next. In Global public goods. An Elgar Reference Collection*.

Kotz, D. M. (2010). Financialization and neoliberalism. *Relations of global power: Neoliberal order and disorder*, 1(1), 1-24.

Kremer, M. (2006). *The missing mandate: Global public goods. Rescuing the World Bank: A CGD Working Group Report and Selected Essays*.

Lakhal, M. (2018, November 14). Tunisia and its debt: Our invasive friends, the creditors. *Nawaat*. Retrieved from <http://nawaat.org/portail/2018/11/14/tunisia-and-its-debt-our-invasive-friends-the-creditors/>

Lijphart, A. (1971). Comparative Politics and the Comparative Method. *The American Political Science Review*. 65(3). 682–693.

Marchesi, S. & Sirtori, E. (2011). Is two better than one? The effects of the IMF and World Bank interaction on growth. *The Review of International Organizations*, 6, 287-306.

Masmoudi, M., & Charfi, F. (2013). The macro-economic determinants of export competitiveness of the Tunisian economy in a context of liberalization and crisis. *International Journal of Business and Management Invention*, 2(7), 36-49.

Mathieson, D. J. (1980). Financial reform and stabilization policy in a developing economy. *Journal of Development Economics*, 7(3), 359-395.

Matta, S., Appleton, S., & Bleaney, M. (2019). The impact of the Arab Spring on the Tunisian economy. *The World Bank Economic Review*, 33(1), 231-258.

Matz, N. (2005). Financial institutions between effectiveness and legitimacy: A legal analysis of the World Bank, global environment facility and prototype carbon fund. *International Environmental Agreements: Politics, Law and Economics*, 5(3), 265-302.

McGinnis, M., & Ostrom, E. (1996). Design principles for local and global commons. *The international political economy and international institutions*, 2, 465-493.

Mearsheimer, J. (1994). The false promise of international institutions. *International Security*, 19(3), 5-49.

Morton, A. D. (2003). Social forces in the struggle over hegemony: Neo-gramscian perspectives in international political economy. *Rethinking Marxism*, 15(2), 153-179.

Mueller, J. L. (2010). Drinking the kool-aid: The IMF and global hegemony. *Middle East Critique*, 19(2), 93-114.

Ostrom, E. (1992). Institutions and common-pool resources. *Journal of Theoretical Politics*, 4(3), 239-270.

Ostrom, E. (1998). A behavioral approach to the rational choice theory of collective action: Presidential Address. (American Political Science Association, 1997). *American Political Science Review*, 92(1), 1-22.

Ostrom, E., Burger, J., Field, C. B., Norgaard, R. B., & Policansky, D. (1999). Revisiting the commons: Local lessons, global challenges. *Science*, 284(5412), 278-282.

Ostrom, E. (2000). Collective action and the evolution of social norms. *Journal of Economic Perspectives*, 14(3), 137-158.

Ostrom, E., Chang, C., Pennington, M., & Tarko, V. (2012). The Future of the Commons-Beyond Market Failure and Government Regulation. *Institute of Economic Affairs Monographs*.

Peet, R. (2009). Ten pages that changed the world: Deconstructing Ricardo*. *Human Geography*, 2(1), 1-33.

Poulsen, L. N. S. (2011). Sacrificing sovereignty by chance: Investment treaties, developing countries, and bounded rationality (Doctoral dissertation, The London School of Economics and Political Science (LSE)).

Rebhi, H. (2019, November 15). Can modern monetary theory solve Africa's debt crisis?. *Barr Al Aman*. Retrieved from <https://news.barralaman.tn/can-mmt-solve-africa-debt-crisis-eng/>

Richards, A. (2003). Modernity and economic development: The "new" American messianism. *Middle East Policy*, 10(3), 56.

Samuelson, P. A (1954). The pure theory of public expenditure. *The Review of Economics and Statistics*, 36(4), 387–389.

Severino, J. (2001). Refonder l'aide au développement au XXIe siècle. *Critique internationale*, 1, 75-99.

Severino, J. & Ray, O. (2010). The end of ODA (II): The birth of hypercollective action. *Center for Global Development*, (218).

Shapiro, J. (2019). Exploring recipient preferences and allocation mechanisms in the distribution of development aid. *The World Bank Economic Review*.

Simoes, A. (2010). *Tunisia*. The Observatory of Economic Complexity (OEC). Retrieved from <https://www.worldbank.org/en/country/tunisia/overview#2>

Simons, H. (2014). *Case study research*. In *The Oxford Handbook of Qualitative Research*. 1–29.

Stiglitz, J. E. (2002). Participation and development: Perspectives from the comprehensive development paradigm. *Review of development economics*, 6(2), 163-182.

Taylor, I. (2004). *Hegemony, neoliberal 'good governance' and the International Monetary Fund: A gramscian perspective*. In *Global Institutions and Development*. Routledge.

The Arab Weekly. (2020, May 1). Tunisia's year of foreign debt. Retrieved from <https://thearabweekly.com/tunisia-year-foreign-debt>

The United Nations General Assembly. (2018, September 28). General debate, 73rd session H.E. Mr. Khemais Jhinaoui, Minister for Foreign Affairs [Press release] Retrieved from <https://gadebate.un.org/en/73/tunisia>

Underhill, G. R., & Zhang, X. (2008). Setting the rules: Private power, political underpinnings, and legitimacy in global monetary and financial governance. *International Affairs*, 84(3), 535-554.

Vaubel, R. (1991). The political economy of the International Monetary Fund: A public choice analysis. *The Political Economy of International Organizations: A Public Choice Approach*. Boulder, CO: Westview Press, 204–244.

Wilson, D. S., Ostrom, E., & Cox, M. (2012). Generalizing the design principles for improving the efficacy of groups. *Journal of Economic Behavior and Organization*, [http://dx.doi.org/10.1016/j.jebo, 10](http://dx.doi.org/10.1016/j.jebo.2012.05.010).

Woods, N. (2001). Making the IMF and the World Bank more accountable. *International Affairs*, 77(1), 83-100.

Woods, N. (2006). *The globalizers: The IMF, the World Bank and their borrowers*. (Helleiner, E. & Kirshner, J. eds.). New York, United States: Cornell University Press.

World Bank. (2014). *The unfinished revolution: Bringing opportunity, good jobs and greater wealth to all Tunisians* (Report No. 86179). Washington, DC: World Bank Group. Retrieved from <http://documents.worldbank.org/curated/en/658461468312323813/The-unfinished-revolution-bringing-opportunity-good-jobs-and-greater-wealth-to-all-Tunisians>

World Bank. (2019, October, 1). *The World Bank in Tunisia*. World Bank Group. Retrieved from <https://www.worldbank.org/en/country/tunisia/overview#2>

World Bank. (assessed on 2020, April 20). *Tunisia: Projects & operations*. World Bank Group. Retrieved from https://projects.worldbank.org/en/projects-operations/projects-list?lang=en&searchTerm=&status_exact=Active^Closed&prodline_exact=GU^PE&countrycode_exact=TN

8. Appendix

Part I. Independent variables target group questionnaire

Q1. What age group are you?

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	29-20	22	28,9	35,5	35,5
	39-30	28	36,8	45,2	80,6
	49-40	7	9,2	11,3	91,9
	59-50	3	3,9	4,8	96,8
	60+	2	2,6	3,2	100,0
	Total	62	81,6	100,0	
Missing	System	14	18,4		
Total		76	100,0		

Q2. Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Male	29	38,2	47,5	47,5
	Female	32	42,1	52,5	100,0
	Total	61	80,3	100,0	
Missing	System	15	19,7		
Total		76	100,0		

Q3. How would you describe your salary according to the standards in Tunisia?

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	0	2	2,6	3,6	3,6
	1	1	1,3	1,8	5,5
	2	4	5,3	7,3	12,7
	3	9	11,8	16,4	29,1
	4	8	10,5	14,5	43,6
	5	12	15,8	21,8	65,5
	6	8	10,5	14,5	80,0
	7	7	9,2	12,7	92,7
	8	2	2,6	3,6	96,4
	9	1	1,3	1,8	98,2
	10	1	1,3	1,8	100,0
Total		55	72,4	100,0	
Missing	System	21	27,6		
Total		76	100,0		

Q4. Did you vote in the presidential and/ or parliamentary elections of 2019?

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Yes, I voted in both elections	32	42,1	56,1	56,1
	Yes, I voted in the presidential elections	6	7,9	10,5	66,7
	Yes, I voted in the parliamentary elections	1	1,3	1,8	68,4
	No, I did not vote	18	23,7	31,6	100,0
	Total	57	75,0	100,0	
Missing	System	19	25,0		
Total		76	100,0		

Q5. Did you vote in the presidential and/ or parliamentary elections of 2019?

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Yes, I voted in both elections	32	42,1	56,1	56,1
	Yes, I voted in the presidential elections	6	7,9	10,5	66,7
	Yes, I voted in the parliamentary elections	1	1,3	1,8	68,4
	No, I did not vote	18	23,7	31,6	100,0
	Total	57	75,0	100,0	
Missing	System	19	25,0		
Total		76	100,0		

Part 2. Content: Fund and Bank related statements

Q6. I am concerned about the current state of the Tunisian economy?

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	3	3,9	5,9	5,9
	Neither	4	5,3	7,8	13,7
	Agree	44	57,9	86,3	100,0
	Total	51	67,1	100,0	
Missing	System	25	32,9		
Total		76	100,0		

Q7. International support is needed in order to improve the current economic situation in Tunisia.

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	16	21,1	32,0	32,0
	Neither	13	17,1	26,0	58,0
	Agree	21	27,6	42,0	100,0
	Total	50	65,8	100,0	
Missing	System	26	34,2		
Total		76	100,0		

Q8. International support is needed in order to improve the current economic situation in Tunisia.

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	16	21,1	32,0	32,0
	Neither	13	17,1	26,0	58,0
	Agree	21	27,6	42,0	100,0
	Total	50	65,8	100,0	
Missing	System	26	34,2		
Total		76	100,0		

Q8. International support is needed in order to improve the current economic situation in Tunisia.

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	16	21,1	32,0	32,0
	Neither	13	17,1	26,0	58,0
	Agree	21	27,6	42,0	100,0
	Total	50	65,8	100,0	
Missing	System	26	34,2		
Total		76	100,0		

Q9. I believe International Financial Institutions (IFIs) contribute to economic growth in Tunisia.

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	15	19,7	30,6	30,6
	Neither	11	14,5	22,4	53,1
	Agree	23	30,3	46,9	100,0
	Total	49	64,5	100,0	
Missing	System	27	35,5		
Total		76	100,0		

Q10. I have a good understanding of the working of the IMF and WB.

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	13	17,1	26,0	26,0
	Neither	14	18,4	28,0	54,0
	Agree	23	30,3	46,0	100,0
	Total	50	65,8	100,0	
Missing	System	26	34,2		
Total		76	100,0		

Q11. I believe that the national government informs me to a sufficient extent of the financial support provided by the IMF and WB.

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	24	31,6	50,0	50,0
	Neither	13	17,1	27,1	77,1
	Agree	11	14,5	22,9	100,0
	Total	48	63,2	100,0	
Missing	System	28	36,8		
Total		76	100,0		

Q12. I would like to have more of a say as a Tunisian citizen in the negotiations between the IMF, WB and Tunisian government.

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	12	15,8	24,5	24,5
	Neither	15	19,7	30,6	55,1
	Agree	22	28,9	44,9	100,0
	Total	49	64,5	100,0	
Missing	System	27	35,5		
Total		76	100,0		

Q13. I would like the IMF and WB to pay more attention to civil society and other local stakeholders next to the national government.

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	9	11,8	19,6	19,6
	Neither	17	22,4	37,0	56,5
	Agree	20	26,3	43,5	100,0
	Total	46	60,5	100,0	
Missing	System	30	39,5		
Total		76	100,0		

Q14. The IMF and WB are allowed to set conditions for the provision of loans.

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	14	18,4	29,8	29,8
	Neither	8	10,5	17,0	46,8
	Agree	25	32,9	53,2	100,0
	Total	47	61,8	100,0	
Missing	System	29	38,2		
Total		76	100,0		

Q15. The set conditions may have an influence on the reforms undertaken by the national government.

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	6	7,9	12,8	12,8
	Neither	6	7,9	12,8	25,5
	Agree	35	46,1	74,5	100,0
	Total	47	61,8	100,0	
Missing	System	29	38,2		
Total		76	100,0		

Q16. I believe IFIs act upon the best interest of the state in need of financial support.

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	31	40,8	66,0	66,0
	Neither	13	17,1	27,7	93,6
	Agree	3	3,9	6,4	100,0
	Total	47	61,8	100,0	
Missing	System	29	38,2		
Total		76	100,0		

Q17. I believe IFIs act upon particular political interests.

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	6	7,9	13,0	13,0
	Neither	9	11,8	19,6	32,6
	Agree	31	40,8	67,4	100,0
	Total	46	60,5	100,0	
Missing	System	30	39,5		
Total		76	100,0		

Q18. I believe international financial support is often used as a political tool to bring about a particular policy.

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	5	6,6	10,6	10,6
	Neither	12	15,8	25,5	36,2
	Agree	30	39,5	63,8	100,0
	Total	47	61,8	100,0	
Missing	System	29	38,2		
Total		76	100,0		

Q19. I believe the Tunisian national government can best determine the (financial) support needed.

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	20	26,3	44,4	44,4
	Neither	7	9,2	15,6	60,0
	Agree	18	23,7	40,0	100,0
	Total	45	59,2	100,0	
Missing	System	31	40,8		
Total		76	100,0		

Q20. I believe the Tunisian civil society can best determine the (financial) support needed.

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	24	31,6	52,2	52,2
	Neither	11	14,5	23,9	76,1
	Agree	11	14,5	23,9	100,0
	Total	46	60,5	100,0	
Missing	System	30	39,5		
Total		76	100,0		

Q21. I believe that international financial support threatens national sovereignty.

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	8	10,5	17,0	17,0
	Neither	11	14,5	23,4	40,4
	Agree	28	36,8	59,6	100,0
	Total	47	61,8	100,0	
Missing	System	29	38,2		
Total		76	100,0		

Q22. I believe that financial support should be managed by national governments in close cooperation with civil society.

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	7	9,2	14,6	14,6
	Neither	3	3,9	6,3	20,8
	Agree	38	50,0	79,2	100,0
	Total	48	63,2	100,0	
Missing	System	28	36,8		
Total		76	100,0		

Q23. I believe that financial support should be managed by the international financial institutions.

		Frequency	Percent	Valid Percent	Cumulative Percent
Categories	Disagree	18	23,7	38,3	38,3
	Neither	14	18,4	29,8	68,1
	Agree	15	19,7	31,9	100,0
	Total	47	61,8	100,0	
Missing	System	29	38,2		
Total		76	100,0		