

Mr. Taoufik BACCAR, Governor of the Central Bank of Tunisia (BCT) and Mr. Abdallah KALLEL Chairman of the Chamber of Councillors, opened on Wednesday 10 March 2010 a round table on "which governance to choose after the world economic and financial crisis?".

In his intervention, Mr. BACCAR explained Tunisia's approach in reacting to the world economic and financial crisis, pointing out that "it is an approach that confirmed accuracy of Tunisia's options that were set on recommendations of his Excellency President BEN ALI".

He added that this approach was distinguished by its gradual dimension, correlation between the economic and the social fields, moderate exchange policy as well as developed banking activity far from speculation or any other tendency towards rapid gain.

Mr. BACCAR noted that the crisis made it necessary to set up a new governance mode that must be at the same time more efficient and capable of dissuading reoccurrence of such crises, pointing out that the situation requires a deep-seated change in decision-making within the international institutions.

He underlined the need for associating, henceforth, the emerging countries in decision-making within these institutions and boosting their role in establishing new rules that ensure financial security and transparency.

The Governor of the BCT stressed that nowadays Central Banks are called to play a major role the restructuring these economic and financial institutions and noted that the crisis had revealed that review of interest rates and targeted inflation are not enough to give an end to speculative tendencies and imbalanced markets.

He added that central banks are called to give to financial stability the same attention given to price stability, to boost their prudential control capacity on all financial institutions and curb the different types of risk.

In his intervention, Mr. KALLEL indicated that the world crisis that has emerged as of 2008 was led, in major part, by renunciation of principles and values of the liberal capitalist system in favour of rapid gain and lack of a regulatory system and an efficient governance.

He underlined that the world, and after failure of G8 and G20 groups in finding appropriate solutions, needs more than ever, a new efficient governance.

He indicated that Tunisia has succeeded in lessening the impact of this crisis on the national economy thanks to timely reforms and measures that were taken by the President of the Republic, initiatives that indeed helped Tunisia in standing up and adapting itself to a fluctuating world economic environment.

In his intervention, Mr. Rachid SFAR, a councillor indicated that it is high time a new international governance was set up to boost equal opportunities between all the people, pointing out that voices of these countries that had nothing to do with the outbreak of this crisis must be given attention and concrete forms by consensual practical proposals.

Mr. Chedly AYARI, a councillor stressed the importance of establishing the fundamentals for a world economic and financial governance to replace the national

systems into effect, notably, in management of the crises that shake from time to time the financial markets or the economies.

He warned that failure of G20 summit that is going to be held next November in Seoul (South Korea) to move forward in the world financial system reform and ensure a world economic recovery (always risking recession) will lead to disappearance of the project of the world governance and G20.

It is important, the councillor added, to support the reform process incurred at the national and the regional levels, the economic and financial governance systems currently into force, in lack of a clear vision with respect to the world economic leadership in the post-crisis era.

The issues raised by participants in this round table dealt, notably, with the need for creating a supervisory structure and a world development council in charge of coordinating the development policies and ensuring equal chances between people.

Other questions raised by participants involved the importance of solutions that aim at standing up to the impact of the crisis in lack of any commitment in favour of good governance principles.

A number of interveners asked about the nature of the governance process that Tunisia must adopt in the framework of an environment marked by pursuit of the crisis despite a certain recovery in the economic growth.

They focused on boosting the national governance and setting a regional system capable of making a counterbalance of the major powers, further to consolidation of the principle of solidarity and local specificities in drawing up a development scheme.

In his response, Mr. BACCAR underlined that the crisis is still a current issue pointing out that the outlines of the concept of governance adopted by Tunisia are clear. They are based- he added- on rationality, progressive openness and appropriation with new events on the international scene. The Governor indicated also that "in compliance with the decisions of the Head of the State, Tunisia has arranged to lessen the impact of the crisis".

He recalled in this framework the presidential programme, notably, the points related to the pursuit of the tax system reform, consolidation of the banking sector and competitiveness of the national economy, further to boosting of Tunisia's positioning on external markets.

Mr. BACCAR went through the programmes, mechanisms and decisions that are set to face up to impacts of the crisis, referring to the presidential measures related to the creation of a centre specialised in working out monetary policies tied to greater data base.

As for the world governance, the Governor of the BCT stressed the need for reviewing the prerogatives of some international institutions like the International Monetary Fund (IMF).