Determinants of Dividend Payout Ratios In Tunusia: Insights In Light of The Jasmine Revolution

Abdelghani ECHCHABI[a]   Dhekra AZOUZI[b]

[a] College of Business, Effat University, Saudi Arabia, abdelghani.mo@gmail.com

[b] Faculty of Management Sciences and Economics, El-Manar University Tunisia, adhekra@yahoo.fr

Abstract
Despite the various studies covering outstanding issues on dividend payments and policies as well as their relevance to investors and price fluctuation within developed markets, similar studies are still scarce in the emerging markets. Moreover, very few studies only examined the influence of external factors on the dividend policy components. Thus, the current study aims at investigating the determinants of dividend payout among the Tunisian listed companies and particularly to inspect the influence of the Jasmine revolution on firms' dividend policies. In line with this objective, the study employs panel data models using pooled data from the companies listed on the Tunisian Stock Exchange from 2003 through 2012. This specific study period has been selected because it includes the Arab uprisings events which started in Tunisia at the end of 2010. The findings indicated that net cash flow and market to book value have significant influence on the dividend payout, while the Jasmine revolution had no significant impact on the dividend payout among the Tunisian listed companies. The study extends the literature on the dividend policy towards a new context which is that of Tunisia. Furthermore, the study also enriches the literature by considering an important political and social event, which is the Jasmine revolution. The latter had major political, social and economic repercussions, not only in the Arab region but also on the global scale. Hence, the study provides insights on the possible influence of similar events on the dividend policy and the other factors that may influence its dynamics. This would also assist policy makers, regulators, as well as investors in elaborating strategies and policies for an optimal use of the dividend policy tools.