

Mali

Status-Index (Democracy: 3.8 / Market economy: 2.7)	6.5	Management Index	7.5
System of government	Presidential-Parliamentary democracy	Population	12.3 mill.
Voter turnout	34 % (1997)	GDP p. c. (\$, PPP)	810
Women in Parliament	12.2 % (2000)	Unemployment rate	n. a.
Population growth^a	2.6 %	HDI	0.337
Largest ethnic minority	n. a.	UN Education Index	0.27
		Gini Index	50.5 (1994)
Data for 2001 – if not indicated otherwise. ^{a)} Annual growth between 1975 and 2001. Source: UNDP Human Development Report 2003.			

1. Introduction

Mali continues to be a model of success for democratic transformation on the African continent. The country earned this reputation with its exemplary transition in 1991-1992, when the military overthrew long-standing dictator Moussa Traoré and immediately relinquished power to Alpha Oumar Konaré, who won the first free presidential elections in 1992. In 2002, free presidential and parliamentary elections were held in the country for the third time. Limited under Mali's constitution to two terms in office, President Konaré did not run for reelection. The election was won by Amadou Toumani Touré, who was the leader of the 1991 coup and is colloquially known by his initials, ATT. Since the coup, Touré had been active as an arbitrator in African regional conflicts and had earned a good reputation at home and abroad. The president is regarded as a symbol of national integration and enjoys a high confidence rating.

This report will only assess the administration of President Konaré. He left office without resolving problems in education or enacting the further reforms needed in Mali's market economy structures. Konaré achieved his greatest successes in foreign affairs, where he served well as a mediator and arbitrator, and advanced the integration process of the Economic Community of West Africa States (ECOWAS).

The key achievements of President Konaré and his government team were to stabilize the ethnically fragmented country and consolidate its democratic institutions, establishing what is for an African country a considerable measure of transparency and participation. The government also continues to pursue decentralization. Last year's overhaul of the laws governing the multiparty system and elections showed a trend toward consolidating democracy. Until then, the

party system had been highly fragmented, and parties changed without a clear platform or focus. However, in the last elections, the former governing party split, and three party alliances were formed, introducing movement into the party landscape.

With a total debt of \$2.9 billion, Mali ranks among the heavily indebted poor countries. After a few years of growth, a crisis in the cotton sector in 2001 brought home the lack of diversity in the country's economy. Privatization has advanced slowly, as has the fight against corruption. The country is plagued by structural economic weaknesses and will remain dependent on foreign aid for the foreseeable future. The crisis in neighboring Côte d'Ivoire poses additional challenges to Mali's economy, because more than 70 % of its foreign trade is with Côte d'Ivoire.

Mali continues to profit from the advantages of democratization and ranks as a top favorite of the donor community. Together with Senegal, Benin and Ghana, it is viewed as a stabilizing element in an increasingly unstable environment.

2. History and characteristics of transformation

The economic situation in Mali suffered a catastrophic decline in the 1980s. Severe droughts, the oil crisis and the repercussions of the global economic crisis had a devastating impact on the economy, which was still structured along the socialist lines introduced by the country's first president, Modibo Keita. The state continued a trend of reducing provision of essential social services and relying more heavily on its patronage networks. Reports prepared in the early 1980s by the IMF and World Bank, which had extended loans to Mali at the start of that decade to address its massive economic problems, highlighted these problems and pressed for remedies.

The international financial organizations not only demanded thorough restructuring of the entire civil service but also increasingly pushed for effective anti-corruption measures. Meanwhile, the economic situation of the rural population became ever more desolate. The critical factor determining Mali's future political course emerged when municipal officials, until then a relatively privileged group, also found themselves in dire financial straits.

Because of the economic crisis of the 1980s and the ensuing structural adjustment programs imposed by the IMF, the considerable resources that had once amply paid the governing class were no longer available. Any service, however slight, had to be paid for, and the informal sector increasingly dominated public life. When the West African common currency, the CFA franc, was introduced in 1983, officials' purchasing power dropped by half, and the government had significant problems regularly paying the salaries of civil servants.

Intellectuals, who were excluded from the state distribution systems, were among the vanguard demanding comprehensive democratization at the start of the 1990s, while the rural population demonstrated a deeply rooted distrust of this new form of exercising power. Many farmers worried about how the social order would be maintained if anyone could determine who would be the village chief—or, indeed, if a single village could have more than one chief. Furthermore, the abstract concepts of democracy and a multiparty system meant very little to most of the rural population, and they tended to take a dim view of the introduction of such a system.

In early 1991, after President Traoré attempted to bring his critics under control by following his longstanding practice of calling in the military, violent resistance broke out. Protest marches and demonstrations were the order of the day, and the conflict culminated in a three-day general strike that paralyzed all of public life.

The turning point came with the military coup led by Touré. This intervention is considered unparalleled in the African context, because the military immediately organized free elections and transferred power to Konaré, who won the first free presidential election in 1992.

The main achievement of Konaré's first five-year term was to stabilize the highly fragmented domestic scene. From the beginning, he committed to a policy of dialog that included all societal groups. In particular, he deserves credit for settling the Tuareg rebellion in the northern part of the country.

The president and the prime minister, Ibrahim Boubacar Keita, soon developed a functional division of labor: Konaré, who personified national reconciliation and dialog, campaigned for understanding among all societal groups, while the prime minister took the hard line, with uncompromising action against student uprisings and riots. Yet this approach only yielded success in the short term. Time and again, fundamental and urgently needed political reforms were postponed. The government not only failed to tackle the long-overdue reform of the educational system—an undertaking that would have affected the president's electoral base because much of his support came from teachers—but it also neglected the legislative changes needed for the next elections.

As a result, the 1997 parliamentary elections were poorly organized, and therefore chaotic, triggering a severe domestic political crisis. The opposition refused to recognize the results of these elections and, later, the legitimacy of the government institutions. When new elections were held, the opposition boycotted them as well. Although the opposition's united front crumbled over time, a solution agreeable to all parties was not reached until 2001.

As in many transition countries, during the course of transformation in Mali, political and economic development have not proceeded concurrently. While the consolidation of democratic institutions continues to advance, the ambient

economic structures have not improved in equal measure. Mali's transformation is also typical for an African country in that the population expects that patronage practices will continue, an expectation that impedes creation of truly autonomous government organs.

3. Examination of criteria for democracy and a market economy

3.1 Democracy

Democracy in Mali continues on its course of consolidation. In contrast to the chaotic elections held in 1997, votes were cast in a calm and peaceful climate in 2002. The main cloud over the scene was the low voter turnout. In the presidential elections, voter turnout was 34 % in the first round of voting and fell to 24 % for the second ballot. Only 23 % of the eligible voters participated in the parliamentary elections. This shows that the country's primarily rural and illiterate population does not have a clear understanding of the value of elections.

3.1.1 Political organization

(1) Stateness: The state has an unrestricted monopoly on the use of force. All citizens have the same civil rights. The nomadic Tuareg, who come from the north and rose up in a bloody revolt at the start of the 1990s, are now integrated into the structures of government. They have unrestricted voting rights and equal access to positions in public life. Several members of the government, including the new prime minister, come from this ethnic group.

Like all francophone countries, Mali inherited a central administrative system. Efforts have been underway for some years to create decentralized administrative structures. The process is advancing more quickly in Mali than in other African countries, but shortcomings persist in the transfer of resources. The civil service is hampered by patronage and corruption and is not as efficient as it should be.

(2) Political participation: Democracy in Mali continues on its course of consolidation, and free elections were conducted for the third time in 2002. Despite electoral-fraud charges, which led to the annulment of one fourth of the ballots in the first round of the presidential election, votes were cast in a calm and peaceful climate. The atmosphere of democratic fair play was typified by the behavior of Ibrahim Keita—the losing opposition candidate—who asked his supporters to vote for his rival after the second round of balloting.

As in 1997, there were major logistical problems. For example, thousands of ballots were lost. In another case, smaller polling stations in the interior of the country announced their results before the official final results were tallied. As a result, these votes had to be annulled. However, the presence of independent

observers and representatives of innumerable local radio stations ensured that, in the end, all the participants were able to accept the results.

To enable the inhabitants of the northern deserts to vote, the Interior Ministry dispatched mobile polling stations to the most remote corners of the immense desert country. A problem that affects the Tuareg in particular, and also explains the low voter turnout overall, is that only those who have an identity card are eligible to vote. About 70 % of the population does not have such a card.

Freedom of association and freedom of assembly are not restricted. Freedom of the press and freedom of opinion are anchored in the constitution, and the landscape of media is considered exemplary. Mali has no private television stations, but, with more than 50 local radio stations, its radio landscape is one of the liveliest in francophone Africa. In 2000, a new law governing the media made it impossible for individuals—including the president—to file lawsuits against those who allegedly engage in false reporting.

(3) *Rule of law*: The judiciary operates independently of politics. For example, the constitutional court has repeatedly annulled electoral results and rejected laws that were unconstitutional. However, complete impartiality of the judicial system has not yet been achieved. On the working level, corruption and patronage often keep the judiciary from operating independently.

Although the Konaré government announced a tough campaign against corruption and abuse of office, this promise was not kept. One World Bank report describes corruption as endemic—a situation said to be typical of African countries. In fact, most citizens do not regard the exploitation of official power within a patronage-based social system as a problem. Instead they expect it. Indeed, it is precisely by using their positions to favor their clientele that officials maintain their political support base. This principle applies in almost all African systems: Political declarations may reflect a government's sincere intention to fight corruption and patronage, but such policies are nearly impossible to implement in the short- to medium-term.

There are no restrictions on civil rights in Mali. The government holds an annual Democracy and Human Rights Forum, where citizens quite publicly voice their grievances or demand certain rights. This institution is unique on the African continent. Since 1999, Mali has also had an ombudsman who can direct citizen complaints to the appropriate channels.

The chaotic elections of 1997, and the opposition's subsequent blockade tactics, put Mali's democratic stability to the test. The most recent elections have demonstrated that the country has passed this test.

3.1.2 Political patterns of behavior and attitudes

(1) *Institutional stability*: Mali's democratic institutions are firmly established and, for the most part, function efficiently. In recent years, however, Konaré paid for the system's great inclusiveness with a loss of efficiency. This was especially true of the independent electoral commission, whose membership includes a balance of representatives from the opposition, civil society and the government. The necessary processes of reconciling different views often led to considerable inefficiency.

For substantial legislative changes, such as those affecting the electoral code, President Konaré regularly—and against the will of his party, the Alliance for Democracy (ADEMA)—sought consensus with the opposition, which, after 1997, was extra-parliamentary. In view of the overwhelming power of the ADEMA, which in recent years had become the *de facto* single party, this behavior contributed significantly to the stability of the political system. As a result, all relevant political and social players now accept democratic institutions as legitimate.

(2) *Political and social integration*: Mali has more than 80 political parties in all, though only five to eight actually deserve to be called parties. Thus, the party system can be described as moderately fragmented. The greatest weakness of the political parties is that they center on personalities, and they generally do not formulate party platforms. Although national legislation provides financial support for political parties, they do not take advantage of this.

More than 80 parties participated in the 2002 elections, and the most important parties joined forces to form three electoral coalitions. The president's party, ADEMA, had held the majority for many years, but internal fissures created a crisis within the party. ADEMA and its coalition lost their majority in 2002. The new president, following longstanding Malian practice, set about creating a "balanced" government. Along with longtime colleagues of Touré, representatives of all the party coalitions received cabinet posts, bringing the cabinet to a total of 28 ministers.

Touré's choice for prime minister was notable. He appointed Ag Hamani, a Tuareg with no party affiliation whose entire family had been shot to death by the army in the early 1990s but who, despite this, had consistently pursued a peaceful solution to the conflict. To earn the support of Ibrahim Keita, the former prime minister, Touré also appointed ministers from the ranks of Keita's Rally for Mali (RPM) party.

More than 10 years after the end of single-party rule, the labor unions have not yet managed to modernize. In the face of globalization and liberalization, they have not found an appropriate place in society. Individual interest groups, such as the bar association or the journalists' association, are better organized and have

expertise in their fields. As a result, they can have a relatively strong influence on policy.

Mali has a vast and varied landscape of organizations, associations and interest groups. Confidence in the country's stability has grown strong, though most citizens have reservations about its economic strength. The new president, as a national symbol of integration, enjoys a high confidence rating.

3.2 Market economy

Mali's economic situation is at risk of further deterioration. The main reasons for the current economic problems are rooted in the situation in Côte d'Ivoire. Since the coup on September 19, 2002, in that country, thousands of refugees and repatriates have been streaming into Mali.

3.2.1 Level of socioeconomic development

Mali is one of the world's poorest countries. The mean annual income is \$240, and 63.8 % of the population lives below the poverty line. The population growth rate is 2.2 % and rising. Measured in terms of its Human Development Index (HDI) the country ranks in the bottom 10 worldwide. The literacy rate in 2000 was 42 %. Gender discrimination is a factor, especially in rural areas, where the majority of women live without any social safety net. Regional imbalances in the level of development exist between the north and the relatively prosperous cotton- and grain-farming areas in the south, around Sikasso and Segou.

3.2.2 Market structures and competition

The dense thicket of business regulations was pruned back considerably with the end of single-party rule. Because of obligations imposed by the IMF and the World Bank, measures were undertaken to privatize major segments of former state enterprises. This process lags behind the stipulated schedule. The privatization of the Malian Cotton Development Company (CMDT), a semi-public body, remains a point of contention, and farmers are mounting more and more protests against the privatization campaign. The banking system is still poorly developed. Hardly any loans are granted to small- and medium-sized enterprises.

3.2.3 Stability of currency and prices

Because Mali belongs to the CFA franc zone, its currency is very stable. The Central Bank of West African States (BCEAO) is responsible for monetary

policy. Under the influence of the donor community, the government's fiscal and debt policy is stability-oriented. Since 1998, Mali has benefited from the Heavily Indebted Poor Countries Initiative. Even before the initiative's work was completed in the country, bilateral donors forgave considerable sums of debt.

3.2.4 Private property

The regulation of property acquisition, and particularly of land titles, is not without problems. Property rights are well defined in principle but can be difficult to enforce. Modern and traditional concepts of rights overlap and occasionally conflict. The privatization of existing state enterprises advanced in the last four years, but it is not yet proceeding at the expected pace. The telephone company, SOTELMA, has been privatized, and it is now a subsidiary of the French firm Alcatel. The fact that a foreign firm was awarded the contract is a telling sign of the weak domestic capital market. Unfortunately, privatization has not always brought improved performance. This is especially true for the provision of electric power, which has steadily deteriorated, and for the telephone network.

The initial restructuring measures involved in the privatization of CMDT, the cotton company, have provoked numerous protests by farmers. The farmers' union fears the loss of benefits, such as consulting services, transportation, road construction and subsidies for fertilizer.

3.2.5 Welfare regime

The state social safety net has improved in recent years but remains inadequate. Health care is particularly deficient, and pensions are generally nonexistent. In rural areas, social risks are still largely covered by traditional solidarity networks based on family structures. In the cities, this system of support is breaking down, but it is being partially replaced by informal savings clubs and/or solidarity networks in mosque and church communities. On the whole, access to public services cannot be taken for granted. Citizens in rural areas are still at a definite disadvantage in this regard.

The greater part of the population is engaged in agriculture, either for subsistence or for export. This segment of the population generally has access to a relatively functional health-care system but otherwise depends on the solidarity structures of informal social, family and patronage networks. Despite Mali's ethnic heterogeneity, there is no discrimination in access to higher education or public office. The government is working to fight poverty. Its declared priorities for improvement include education, health care and agricultural reform.

3.2.6 Strength of the economy

Between 1990 and 1998, Mali's economy had an annual real growth rate of 3.3 %. The growth rate peaked in 1997 at 6.7 %, a level that could not be sustained. Although Mali has been a favorite of the IMF and the World Bank, there has been backsliding since 2000. The euphoria of growth has evaporated, and, at the end of 2000, the growth rate had dropped to 1.3 %.

The IMF and the World Bank have increasingly pressed the country to meet its obligations. Chief among these is privatization, an undertaking that has advanced only slowly in recent years. In particular, small- and medium-sized enterprises have the potential to take over the processing of national products and cotton. Because of efficient economic policies, in recent years Mali has become Africa's second-largest cotton producer, after Egypt. New gold mines have opened, making Mali a significant African gold exporter. Gold is now the country's main export and makes up 50 % of total exports. In addition, Mali has deposits of iron ore, bauxite, manganese, phosphates and marble, although these have not yet been exploited because of high transport costs.

3.2.7 Sustainability

Education in Mali is in desolate straits. Year after year, essential reforms were postponed. Problems that require urgent attention include student financial aid, the need to upgrade the woefully ill-equipped university and the need to improve the curriculum in the primary schools. The primary schools also suffer from a shortage of teachers and schools. The prolonged crisis in Mali's educational system has repercussions for the national economy and the entire country's administrative system. Many young people leave school after six years without an adequate elementary education. The literacy rate is low, even for Africa. In rural areas, only 34 % of the men and 22 % of the women can read and write.

Expenditures for education between 1995 and 1997, at the height of the education crisis, amounted to just 2.2 of the government's total budget. The situation of girls and women has definitely improved in recent years. The laws governing marital rights, family rights and inheritance rights were changed. For example, the minimum age for marriage was raised, legitimate and illegitimate children were placed on an equal footing, and the situation of women with regard to inheritance has been improved.

Women still face discrimination in access to professional and social opportunities. Nevertheless, Mali earns quite good marks in filling public offices, compared with other African countries. Women have occupied no fewer than seven cabinet posts. Environmental awareness, when it exists at all, is only rudimentary. In the face of urgent social problems, ecological sustainability is not among the government's

priorities. Few people from among the general populace would be likely to even recognize the term.

4. Trend

(1) *Democracy*: Mali has made further progress as an exemplary democracy in Africa. The 2002 elections may be considered a milestone. In contrast to the chaotic elections of 1997, the more recent voting took place in a calm and peaceful climate, and all participants recognized the election results.

The constitutional court and the independent electoral commission have become more professional. ADEMA, once the *de facto* single party, no longer dominates the scene, and the last parliamentary elections yielded a balanced distribution of votes in parliament. There is much to suggest that parliament will take a more active role. The new president can count on broad support. He benefits from a high confidence rating among the population, which still views him as the hero of the 1991 revolution. On the whole, therefore, the consolidation of democracy has made great strides. However, there have been no surveys to measure the acceptance and approval of democratic values among the population, and there are signs that these values are not fully appreciated.

The degree of freedom of opinion and public debate recently attained after 30 years of single-party rule is clearly welcome. Yet the low voter turnout suggests that, for a majority of the rural population who struggle daily for survival, the sense and purpose of free elections is not obvious. Mali has only begun to develop a civic culture as the underpinning of democracy. The fight against corruption in everyday life has proven to be a particularly difficult effort.

Prognoses are always difficult in Africa. In any case, Mali has gained a considerable degree of stability. It is not clear how the developments in the region, and especially in Côte d'Ivoire, will play out. The country's HDI rating has continuously improved, rising from 0.252 in 1975 to 0.386 in 2000.

(2) *Market economy*: The institutional setting for Mali's economic order has improved slightly. A disciplined fiscal policy has reduced macroeconomic imbalances. State revenues more than doubled between 1994 and 2000, while state expenditures rose by less than 60 %. Confidence on the part of foreign investors has risen because of the country's positive political course. In an unfavorable environment, economic growth declined from 6 % in 1998 to 1.3 % in 2001.

Table: Development of socioeconomic indicators of modernization

	HDI	GDI	GDP Index	UN Education Index	Political Representation of women	GDP per capita
1998	0.380	0.371	0.32	0.34	12.2%	681
2000	0.386	0.378	0.34	0.37	12.2%	797

Meanwhile, the civil war in Côte d'Ivoire is taking a rising toll on Mali's economic performance. Scant rainfall in the summer of 2002 stunted harvests and caused food shortages in some parts of Mali. Another element contributing to the country's unfavorable economic course is that Mali was slow to implement the reforms suggested by the World Bank and the IMF. Its poorly diversified economy is extremely vulnerable to external factors, such as world market prices and climatic conditions.

Table: Development of macroeconomic fundamentals (1998-2002)

	1998	1999	2000	2001	2002
Growth of GDP in %	6	6.8	3.7	1.4	2
Export growth in %	-0.4	2.1	-1.3	5.3	1.6
Import growth in %	2.2	2.1	3.8	2.8	1.5
Inflation in %	4.8	-2	5	9	6
Budget deficit as % of GDP	-	-	12	-	-
Current account balance in billion \$	-	-20.7	39.2	-44.4	-79.8

Source: www.devdata.worldbank.org, IMF, country report.

5. Transformation management

5.1 Level of difficulty

In many respects, Mali could not be in a less favorable situation. The country has practically no resources, and its educational policies have left even its human resources underdeveloped. Mali also has a high population growth rate and significant regional differences in development.

Mali's health care and educational systems are plagued with serious shortcomings. Its UN Education Index is 0.37. With some 24 distinct ethnic groups, the country is quite heterogeneous. The Tuareg, an ethnic group living in the north, have long refused to be integrated into a modern state. The economic setting is also difficult. A landlocked Sahelian country, Mali has hardly any natural resources; 65 % of its land is desert or semi-desert. However, Africa's second-largest river, the Niger, flows through the country, providing a vital artery.

5.2 Reliable pursuit of goals

The greatest reliability in achieving goals can be observed in the area of democratization. In the last five years of his presidency, President Konaré continued to pursue a consensus-oriented political style that sought to bring together all of Mali's political forces. This approach succeeded, and it helped advance the consolidation of democratic institutions. Another success was the fact that the opposition increasingly accepted the democratic rules of the game.

The president made this one of his two main, and most visible, priorities—foreign policy was the other. Some other, equally important, domestic reforms were outlined, publicized and begun, but these were not resolutely pursued. Perhaps the greatest weakness of Konaré's program was the failure to reform the educational system.

The government's economic reform strategy certainly achieved successes in its early years. Public revenues were increased, rice production was boosted and the existing gold industry was expanded. In the last year, economic policy was definitely influenced by the World Bank and IMF structural adjustment programs. The cabinet adopted a Poverty Reduction Strategy Paper (PRSP) that included not only the sectors of education and health, but also a special focus on agrarian reform measures. One sign of the government's serious intent to address economic reform is that, for the first time, the budget was drawn up according to the priorities outlined in the PRSP. The government wants to generate strong and sustained economic growth, but, given the difficulty of the current situation, its target growth rate of 6.7 % might be considered too ambitious.

5.3 Effective use of resources

Although recruiting procedures were tightened, and the number of new hires was reduced, the civil service remains the country's largest employer. On the plus side, the number of professionally competent and motivated young newcomers has definitely increased in the civil service in recent years. Even though the civil service has a strong presence, only those living in the capital city can count on it to deliver services relatively effectively. Government offices only offer minimal benefits for most of the population living in rural areas.

The president's consensus-oriented political style has its price: Over the years, every agreement with the opposition was purchased with the coin of more government posts. The number of government ministries hovers around 20, and each has a sizeable staff.

The budget deficit remains high, as does the public debt. Mali will remain dependent on external aid for the foreseeable future. In the past, the president understood very well how to establish Mali as one of the donor community's preferred countries. After a state visit last year, even Johannes Rau, president of the Federal Republic of Germany, counts himself among the country's fans. As part of the Cotonou Agreement, Mali is slated to receive EUR 294 million, the second-largest sum granted to a country from the African, Caribbean and Pacific (ACP) group. Essential areas for investment include infrastructure and decentralization. Since 1997, local elections have been held, and resources have been increasingly directed to outlying areas. Because the government itself has very limited resources, further development in Mali continues to depend on the donor community.

Although President Konaré declared the fight against corruption to be a priority, its implementation has been less than convincing. The issue is a topic for often-heated public discussion, but no concrete actions have been taken.

Certainly, the creation of a national identity and solidarity can be pointed out as one of the achievements of Konaré's presidency. The trial of former dictator Traoré contributed to this effort, as did a culture of dialog and reconciliation that has become institutionalized—and that included Konaré's later pardon of Traoré. In this respect, the political elite legitimizes reform by drawing fully on the existing cultural heritage, which includes the use of dialog for peaceful conflict resolution in a multiethnic country. The human rights situation has also improved. For example, even prisoners now receive better treatment.

5.4 Governance capability

In the past, the entire political class of Mali showed itself to be open to dialog and willing to learn. Primarily, this meant that no group insisted on having all its demands fully met; instead, compromises were always reached.

Because Konaré's policies were essentially stability-oriented, severe conflicts with influential groups have been avoided in negotiations over distribution policies. Although violent student riots broke out at the beginning of Konaré's presidency, Prime Minister Keita quelled the unrest with a firm response. The police were called in, and the government did not engage in more extensive discussions with the students, or even with teachers. The emphasis on stability explains the absence of education reform as well as the lagging pace of privatization. The privatization of the cotton company CMDT was the first

endeavor that required the government to engage in serious and skillful negotiation with an influential group. Here too, President Konaré worked until the end of his time in office to avoid conflicts and resolve problems through unremitting dialog.

Although this desire for compromise may have made Konaré less effective, it unquestionably earned him the respect of the population. In Mali, the public sets far greater store on a culture of dialog than on open conflict. Only the intellectuals in the capital city continually criticized Konaré's "soft" approach and insisted that effective, democratic institutions should take the place of personal mediation.

Because Mali remains one of the world's poorest countries, the fight against poverty is the government's top priority. This is reflected in investments in typical areas, such as health care, drinking water supplies and agricultural development. As one of the largest Sahelian countries, Mali is affected by desertification, and it is an active member of organizations that promote environmentally responsible use of water and grazing land. Measures it has taken include numerous reforestation projects, as well as education campaigns that focus on preventing overgrazing.

Given increasing privatization and the requirements imposed by the IMF and the World Bank, no misallocation of economic resources is to be noted. The country has not spent huge sums on magnificent buildings or dubious investments. Faced with a poor economic setting and a difficult domestic political situation, shaped by 30 years of single-party rule, the political reformers—above all President Konaré—managed the consolidation of democracy with commendable skill. The social peace, fragile especially at the start, was maintained. Meanwhile, democratic reforms were implemented and market-economy reforms were begun.

5.5 Consensus-building

The greatest achievement of Konaré's 10 years in office was to introduce a consensual style of politics and to consolidate it as the Malian model of success.

The prerequisite for this approach was a total break with the previous regime. This was achieved both in fact and symbolically after the revolution: The former president and his wife, as well as key members of the authoritarian single-party regime, were brought to trial, while, at the same time, the entire civil service underwent a symbolic housecleaning.

In this setting, members of the old elite were excluded. The new young leadership elite shared a fundamental consensus on the democratic and economic framework. True, there were conflicts about the shape democratic institutions would take, but President Konaré placed the utmost value on settling conflicts—always—by a round-table policy or by co-opting his political opponents. Critics never failed to

characterize the latter technique as a means for eliminating the opposition, and, in fact, between 1995 and 2000, a trend toward de facto one-party rule became evident. But President Konaré saw this as another reason to pursue a policy of maximum inclusion—even against resistance within the majority party. In this sense, the split within the governing party in 2001 can be considered a positive sign, because it led to qualitative differentiation of the party system.

5.6 International cooperation

Mali pursues a pragmatic foreign policy. Its interest in development aid sets the tone for relations with the Western industrialized nations, while relations with its regional neighbors primarily focus on security and stability. The donor community views Mali as a preferred country. Netherlands is the largest bilateral donor, followed by France and Germany. The World Bank and the IMF also favor Mali because of its advancing democracy and its stability.

President Konaré saw African integration as a major goal of Malian foreign policy. A founding member of the African Union, he especially supported ECOWAS and the West African Economic and Monetary Union (UEMOA). The new president, Touré, had served as a mediator in numerous African conflicts, even before he took office, and he will doubtless continue his predecessor's foreign policy. Given the unstable situation in the region—especially in the two countries that are vital to Mali, Nigeria and Côte d'Ivoire—Malian foreign policy is always domestic policy.

6. Overall evaluation

In view of the initial conditions, current status and evolution, as well as the key actors' political management, this assessment arrives at the following conclusions:

(1) Originating conditions: The starting conditions for the country's transformation can be rated as difficult. After 30 years of one-party rule, Mali faced an ailing economy and urgent social problems. Its educational system was in a desolate state, and its students were primed for violent conflict. In the north, the Tuareg had risen up in armed rebellion. Many of the democratic laws and institutions—which were essentially borrowed from the French system and hastily introduced during the national conference—had proven to be a poor match, or no match at all, for the Malian reality.

Accordingly, in his first term, President Konaré took domestic stability as his foremost political goal. As a result, important legislative projects fell by the wayside. After the failed elections of 1997, the opposition joined ranks to block the government's initiatives. Despite a fundamental consensus on the framework

of democracy, the situation was tense, and the future of the democratic institutions appeared uncertain.

(2) *Current status and evolution:* The democratic transformation in Mali has come a long way—an exception on the African continent. The third elections were a testament to further progress in democratic consolidation. There have been clear successes in the areas of political representation, the efficiency of democratic institutions and integration. However, these improvements extend primarily to the political elite and to the urban population. The rural population, which is largely illiterate, generally seems to regard the political system with skepticism or indifference.

The economic transformation cannot keep pace with advances in the political arena. Granted, the country's economic framework was slightly improved, and its macroeconomic development was stabilized. Nevertheless, most of Mali's citizens have yet to see any change in their economic situation. Privatization was not energetically pursued, and even the transformation to a functional, social-market economy remains incomplete. In one of the poorest countries in the world, large segments of the population are still excluded from important social services and social transfer payments. Still, the transformation process is continuing, and the new president has outlined an ambitious growth program.

(3) *Management:* The verdict on various actors' relative management performance is positive, chiefly because of successes within Mali's political system. These successes included effective strategies for building a broad pro-democratic consensus, a decidedly inclusive political style, reform of the electoral system and party financing and the consolidation of democratic institutions. Furthermore, the president's activities in foreign affairs did much to vitalize political interaction in the region.

By contrast, the verdict on the political management of social issues is mixed: Konaré was unable to overcome the most urgent problem, which is the reform of the education sector. The economic results are also rather mixed: The overall trend is positive, but individual key projects, such as the privatization of the cotton company, were not convincingly advanced. Corruption and patronage continue to impede the further functional differentiation of the economic system.

7. Outlook

The positive report card for transformation underscores the view expressed by many observers: With its transformation accomplished, Mali is now well on the way to consolidating its gains. In substantial measure, these successes can be credited to the achievements of individuals, like the president. However, the strong financial support from foreign donors certainly cannot be underestimated as a factor that helped to stabilize the political system.

On the other hand, Mali has not yet managed to integrate its population thoroughly into the economic system. Its economic development has gained ground, but structural economic weaknesses still plague the country. As a result, Mali will remain dependent on development aid for the foreseeable future. After being selected by the World Bank and the IMF as a pilot country for their Poverty Reduction Strategy Paper programs, Mali worked its way through the process in an exemplary manner. Here too, the government continues to pursue a participatory political style. However, only time will tell how much progress can be made toward the primary goal of combating poverty. In the past, political weaknesses and mistakes have surfaced, especially in the education sector—a crucial front on the battlefield of poverty reduction. The new president has identified educational improvement as a top political priority for his administration.

At present, the greatest cause for concern comes from developments outside of Mali. The civil war in neighboring Côte d'Ivoire poses major economic problems, because that country is involved in almost 80 % of Mali's import-and-export activity. Prices for many everyday necessities have already risen, and supply bottlenecks are making themselves felt. The government is losing a large part of its customs revenues. Other difficulties are caused by the loss of transfer payments from some 2 million Malians who live and work in Côte d'Ivoire. Many of these people have already returned to Mali. There is a danger that destabilizing repercussions will spread across the border, from Côte d'Ivoire into Mali.

After an eventful election year in 2002, the task in 2003 is to carry through on the promises made during the election campaign. The new president can hope for broad support here. He has managed to rally all the political players, and most of the significant social circles, to his side. Because he does not belong to any party, and there is no definite majority in parliament, only time will tell whether he can maintain political stability. In any case, it can be expected that Mali will continue to work actively to ease tensions in Côte d'Ivoire, for the resolution of that crisis will also determine the success or failure of any measures undertaken by the new administration.