THE A.I.D. ECONOMIC POLICY REFORM PROGRAM IN MALI

A.I.D. PROJECT IMPACT EVALUATION REPORT NO. 74

by

Michael A. Rugh, Team Leader
(U.S. Agency for International Development)

Jerry Cashion, Project Development Officer
(U.S. Agency for International Development)

Donald Harrison, Economist
(U.S. Agency for International Development)

Paul Mulligan, Economist
(U.S. Agency for International Development)

U.S. Agency for International Development

February 1990

TABLE OF CONTENTS

Page

FOREWORD

To learn more about the effectiveness and developmental impact of its policy reform programs, the Agency for International Development/Center for Development Information and Evaluation (A.I.D./CDIE) has launched a series evaluating policy reform. Six country studies have been completed in Central America and the Caribbean (Costa Rica, Jamaica, Honduras, the Dominican Republic, and Dominica and Grenada). In Africa evaluations have been completed or are in process in Mali, The Gambia, Senegal, Malawi, and Cameroon.

The Mali impact evaluation (which is based on fieldwork completed in October 1989) analyzes the A.I.D.-supported policy reform program in Mali over the 1985-1989 period. The reforms were designed to improve the private sector climate and to improve the efficiency of the public sector. To date, the program has been most successful in reducing price controls and rationalizing the tax structure. While a start has been made on improving public sector efficiency, the results so far are inconclusive.

The A.I.D.-supported reforms were part of a broader World Bank and International Monetary Fund (IMF) structural adjustment effort. The A.I.D. reforms supported the overall structural adjustment program and in turn were supported by the multidonor reform effort. This joint approach helped to wean the Government of Mali away from its extreme statist approach to development and move it toward a more liberalized economy that relies on market-led development. The evaluation also identified the importance of the external factors (the sharp fall in international prices for Malian exports) that depressed the economy and delayed the benefits of many of the reforms.

Janet Ballantyne
Associate Assistant Administrator
Center for Development Information
and Evaluation
Agency for International Development
February 1990

SUMMARY

The 1985 Mali Economic Policy Reform Program (EPRP) had two major components: to enhance the climate for private sector activity by easing regulatory constraints and undertaking fiscal reform, and to improve the efficiency in the public sector's delivery of services. The EPRP complemented the Government of Mali's remarkable shift from a highly centralized statist regime to a less regulated economy with increased opportunity for the private sector.

Four years later, the EPRP has reduced many regulatory constraints confronting the Malian private sector. Prices have been decontrolled; a number of taxes assessed against business have been lowered; a new commercial code has been introduced; and restrictions on import and export trade have been loosened. The reforms have produced modest, but not inconsequential, benefits to the Malian economy.

Any benefits would be impressive in the inhospitable economic environment in Mali. The program was affected by a deep recession induced by a plunge in the global price of cotton, Mali's leading export, and an inadequate economic and social infrastructure even in comparison with other very low-income developing countries.

The most significant facet of the EPRP has been the price decontrol program, which has improved the competitive environment within the country. In the aftermath of decontrol, prices have declined across the board. Consumers have been major beneficiaries.

Some firms have responded to lower business taxes by hiking production, investment, and employment. However, a recent increase in the *patente*--a business license tax--will largely offset some of the effects of the tax reductions.

The new commercial code has made more transparent the rules governing business and has considerably simplified business registration requirements. However, it has had only marginal economic impact. Few business owners indicate that they themselves have benefited from the code's relaxed registration requirements, although they view the code as a good thing.

The Government of Mali has eliminated import quotas and replaced import and export licensing with a new registration system under which licenses are supposed to be issued freely. Since these measures have been implemented only within the past 18 months, it is too early to assess impact. However, we anticipate that the

impact of the liberalization of controls will be minimal. Quotas were seldom binding. In addition, importing still remains cumbersome.

We used Government expenditures on supplies and maintenance (*matériel*) as a proxy to examine whether improvement in public sector efficiency has occurred. However, we cannot document that there has yet been any improvement in the delivery of social services and, ultimately, an improvement in social welfare indicators.

A voluntary early retirement program for civil servants was one means of enabling the Government of Mali to allocate more funds to *matériel*. While many of the individuals participating in the program have entered the private sector, the high failure rates recorded around the world for people just starting a business do not augur well for the retirees' long-term success.

In general, the EPRP has been well managed by both the Malian Government and A.I.D. Implementation of the program has been very successful, and broad benefits have been generated. Among those positively affected are civil servants who opted for early retirement, merchants, industrialists, and consumers in general.

In summary, the Mali EPRP achieved its objective of improving the private sector climate. Most notable were the price decontrol program and the steps taken to rationalize the tax structure. The results may not have occurred in the timeframe or magnitude originally foreseen, but they are still impressive given the unfavorable economic climate. The objective of improving public sector efficiency cannot be definitively assessed at this time. The changes in public sector efficiency were marginal at best, and were overshadowed by the IMF and World Bank programs. The real challenge is for the Government of Mali to take a fresh look at its total (including donor) budget resources and allocate them in a way that will best improve the well-being of the people of Mali.

The impact of the Mali EPRP, favorable as it has been over the short term, must be viewed in a larger context. A.I.D.'s interventions were highly specific and limited in scope. The interventions were supportive of the overall structural adjustment effort begun in 1982, and, along with other donor activities, complement Mali's commitment to redefine the role of the Government, liberalize the economy, and sustain broad-based, market-oriented development.

1. BACKGROUND

1.1 Introduction

In 1985, the U.S. Agency for International Development (A.I.D.), obligated $18 million for the Mali Economic Policy Reform Program (EPRP), a program that was intended to work with multidonor strategies and to encourage the development of the private sector and increase the efficiency of the public sector in Mali. The purpose of this evaluation is to assess how well the EPRP achieved its purposes.

Our four-person evaluation team visited Mali in October 1989 to investigate and assess the economic impact of each of the components of the program and to examine the social implications of the overall Mali EPRP. Our methodology was deductive in nature: we introduced hypotheses and tested them rigorously, using a variety of sources. A serious lack of data, combined with the problem of Mali's difficult economic environment, complicated our task considerably. However, we were able to rely on a number of background studies and evaluations, and we conducted extensive interviews with officials of the Government of the Republic of Mali and international organizations, and with representatives of the private sector.

1.2 Setting

Mali is a landlocked, largely arid country. The majority of Mali's 8 million people eke a living out of the fragile ecosystem by growing millet, sorghum, and rice, and by tending small herds of ruminants. For others, cattle is a mainstay, and considerable quantities are exported to the Côte d'Ivoire. Cotton is the leading cash crop and the major foreign exchange earner.

The overall population is growing at about 2.7 percent per year. Rural-to-urban migration (about 70,000 people per year) has pushed the urban growth rate to an estimated 5.0 to 6.7 percent.

Nearly 30 years after gaining its independence, Mali remains one of the least developed countries in the world. Its per capita gross national product (GNP) of about $230 places it squarely in the ranks of the 10 poorest countries--more or less the same position it held 10, 20, and 30 years ago. Erratic rainfall, marginal soils, a relatively poor natural resource base, and its landlocked status all work against Mali. Literacy levels are still low at 15 percent, and average life expectancy at birth is 45 years. Despite the low literacy level, however, there has been a sharp qualitative improvement in the human resource base as large numbers of Malians have benefited from higher education both within and outside of Mali.

Infrastructure remains relatively poorly developed. There are more paved roads than at the time of independence, yet entire areas of the country are still cut off during parts of the rainy season. Industrial development is still in a relatively early stage. Communications with the outside world are significantly better than they were 30 years ago, yet within the country, information gathering and dissemination is a haphazard and time-consuming process.

Cereals production is highly dependent on rainfall. Mali, like other countries in the Sahel, can count on a severe drought every year or two out of 10. Nevertheless, agricultural production has performed reasonably well, particularly in areas where Mali has a comparative advantage, that is, cotton and livestock. There may be some hope for minerals exploitation, particularly as improved technology reduces the cost of extraction.

1.3 Mali's Economy

When Mali gained its independence in 1960, its economy was characterized by

- A high degree of regulation, with a centralized administrative system
- Virtually no modern industrial sector
- Limited opportunities for expansion of the traditional private sector
- A small number of university-educated Malians, most of whom were concentrated in the civil service

These factors and, to a certain extent, ideological goals set the stage for a concerted effort at a State-led development strategy. The Government took responsibility for developing the industrial sector, creating 16 public industrial enterprises in the first decade of independence.

By the mid-1970s, the State's influence was pervasive, extending to the banking sector, crop marketing, foreign trade, and local commerce. A policy of employing all postsecondary graduates continued far too long, into the early 1980s. The civil service became bloated to the point of inefficiency. The wage bill, followed by subsidy payments and debt service, became the priority of the Government's budget. A dwindling share of the budget went to purchase the supplies necessary to run the Government and provide basic services to the people. The Government could not afford to rebuild its deteriorating infrastructure.

External financing from Mali's benefactors was (and still is) significant by providing the Government with infrastructure and new capital equipment, supporting some recurrent costs, funding scholarships, and closing the food gap. Indeed, donor flows approach, or exceed, the Government's revenue each year.

1.4 Getting on the Reform Path

The situation started to unravel in the middle to late 1970s. Oil price shocks, serious drought, and the cumulative toll of State domination of the economy left decision-makers with little room to maneuver. The budget deficit amounted to one-third of revenues, the payroll started to run behind, losses incurred by public enterprises amounted to 20 percent of sales, and the balance of payments gap became unsustainable. The French treasury threatened to withdraw automatic conversion of the Malian franc.

As a result, in the early 1980s, the policy of State domination of the economy was abandoned. The Government invited the World Bank and the International Monetary Fund (IMF) to help design a broad program of structural change. Bilateral donors, including the United States, collaborated with the Government on a wide-ranging program of reform of the grain trade.

From 1982 to 1986, the Government of Mali implemented a series of economic and financial adjustment programs, supported by three successive IMF standby arrangements. Between 1982 and 1985 substantial progress was achieved in reducing the economic and financial imbalances facing the Malian economy. But, in the absence of additional significant adjustment measures and with the collapse of world cotton prices in late 1985, a major economic and financial crisis developed by 1987. After having successfully completed two standbys, Mali failed to satisfy the conditions on the third one. The Malian Government's response was to negotiate a new standby and a structural adjustment facility arrangement with the IMF in 1988, amounting to $16.5 and $42.0 million respectively. These arrangements provided for limitations on domestic credit, external and domestic arrears, and external debt, as well as further movement on a number of structural measures, including closure of Air Mali and the State trading company and the restructuring of the State-owned cereals company.

The World Bank is encouraging reform of the Mali economy through a $40 million Public Enterprise Structural Adjustment Program negotiated in 1988. The aim of the program is to limit Malian Government involvement to strategically important industries.

The program includes specific measures and timetables to rationalize 36 public enterprises. Only 6 enterprises will remain entirely in the public sector; 15 will be privatized and the remaining 15 closed.

In 1989, macroeconomic indicators are up and gross domestic product (GDP) growth is estimated at 9.1 percent, partly because of a strong export performance, reflecting a recovery from 2 years of stagnation. Growth in industrial sector output is estimated at 5.4 percent; growth in commerce at 8.1 percent. Inflation remains under control. In addition, the current account deficit, excluding official transfers, is estimated at 16.2 percent of GDP in 1989, down from 22.8 percent in 1986.

2. THE ROLE OF A.I.D.

2.1. The Mali Economic Policy Reform Program

The $18 million A.I.D. Economic Policy Reform Program (EPRP) was obligated in September 1985. It thus followed 3 years of experience with the IMF standby arrangements, the launching of the multidonor-supported Cereals Market Restructuring Program, and the beginning of World Bank-Government of Mali dialogue on privatization.

The EPRP complemented the IMF and World Bank strategies. It was designed to encourage the development of the private sector and to reduce the burden of the public sector on the economy while at the same time increasing public sector efficiency. The EPRP would

- ***Enhance the climate for private sector*** activity through a revised commercial code, lower tax rates, an easing of price controls, and liberalization of import and export requirements.

- ***Improve Malian Government efficiency*** by freeing up resources for supplies and equipment. This was to be achieved by slowing the growth of the civil service through curtailing the number of new hires and encouraging voluntary departure (early retirement).

To cushion the impact of these measures, A.I.D., through the original program agreement and two amendments, made $25.5 million available (see Table 1).

2.2 External Factors

The structure of Mali's economy is not conducive to the rapid realization of benefits from reform. The small size of the home market sharply limits opportunities for domestic firms. An apparently overvalued exchange rate discourages exports. The country's modern industrial sector has little potential, with comparative advantage in only a few areas. For industrial firms, excess capacity ranges from 25 percent to 70 percent.

During the EPRP period, the economy was hard hit by an almost 50-percent fall in the export price of cotton. In 1987, drought had a dramatic adverse impact on the harvest. Consequently, GDP rose only 1 percent in 1987 and fell 0.8 percent in 1988; gross domestic investment as a share of GDP fell from 22.8 percent in 1986 to 18.2 percent in 1988; and gross domestic savings were negative in 1988. The number of newly incorporated companies decreased substantially in 1987 compared with 1986, and decreased even further in 1988.

Table 1. Breakdown of EPRP and Nonproject Assistance
($000s of dollars)

Project and Nonproject Assistance	Original	Amend 1	Amend 2	Total
Cash Disbursement				
Budget Restructuring	8,365	3,202	650	12,217
Fiscal Reform	8,315	2,199	--	10,514
Subtotal	16,680	5,401	650	22,731
Project Assistance				
Commodities	490	--	--	490
Technical Assistance	770	724	350	1,844
Training	60	--	--	60
Studies/Evaluation	--	375	--	375
Subtotal	1,320	1,099	350	2,769
Total	18,000	6,500	1,000	25,500

Data problems impede the actual measurement of impact. There is a severe lack of data; available data are unreliable and inconsistent. Except for civil service, no employment data are available. The few data that have been developed at the microbusiness level are suspect. In this regard, a Mission-funded survey of the formal and informal business sector now under way should help.

3. THE IMPACT OF THE ECONOMIC POLICY REFORM PROGRAM

3.1 Impact on the Private Sector

3.1.1 Price Controls

Before the EPRP, all prices were controlled. After the EPRP was instituted, price controls were progressively lifted under a phased program that commenced in October 1986. At that time a number of prices were freed, leaving 55 commodities subject to one type of price control or another. By June 1989, the number of products subject to price controls had been reduced to 10. The Government of Mali continued to set the prices of cotton, rice, and eight other items, including pharmaceutical and veterinary products, medical and veterinary services, petroleum products, water, electricity, domestic transport, and international freight tariffs. Price decontrol has meant that prices of practically all goods consumed by rural Malians are now free, and prices of an ever-increasing proportion of goods consumed by urban dwellers are free. However, those goods whose prices remain controlled are of some importance.

The price decontrol program appears to have had considerable positive impact. Both wealthy and poor consumers have benefited from decontrol, as prices have tended to decline across the board, suggesting enhanced economic efficiency. Apparently, many vendors incorporated a premium in their price structure to reflect the fines that they would have to pay if they were caught evading the controls. With price decontrol, the need for a premium was effectively eliminated. Prices fell 13.2 percent in 1987. In the first quarter of 1989 prices were effectively stable. According to preliminary results of an A.I.D.-funded survey of some 100 business concerns in the formal sector, 75 percent have either lowered prices or held them constant. We can cite the case of concentrated milk, which now sells at FCFA (Franc de la communauté financière africaine) 500 in contrast to FCFA 750 before liberalization. Some of the price deflation, however, can undoubtedly be attributed to the tight credit policy, a stagnant level of domestic demand, the flourishing trade in contraband, and, most recently, good rainfall.

A number of business owners indicated that price decontrol was the best element of the entire economic reform program. One individual referred to it as "extraordinary." The price decontrol considerably enhanced businesses' flexibility, allowing them to be more competitive. To get a consumer view of the cost of living in Bamako, we interviewed a number of people--an inadequate unscientific sampling--about prices in general. All responses were positive. From our interviews with businessmen and talks with consumers, we concluded that price decontrol has had a positive impact and has contributed to the stability of prices, though we cannot quantify the benefits.

Generally, price decontrol has substantially reduced the collections of fines for irregular activity. In 1986, infractions of economic regulations, including price controls, had brought in almost FCFA 700,000--the equivalent of 1 percent of budget revenues. Fines in 1988 were reportedly down to FCFA 400,000. A number of managers of firms that A.I.D. is surveying complained that the level of fines had been very high.

At the same time, only 41 percent of business managers in the ongoing A.I.D. survey appeared to be aware of price decontrol. Some firms, especially sellers of petroleum products, persist in voicing displeasure over continued control of their prices.

3.1.2 Tax Reform

Encouraged by the EPRP, the Government implemented a package of tax reforms.

-- Starting in 1987, the corporate income tax rate was reduced from 50 percent to 45 percent; the income tax for unincorporated enterprises was lowered from 30 percent to 25 percent.

-- The payroll tax was reduced from 15 percent to 7.5 percent in 1986.

-- The minimum turnover tax on business gross revenues was lowered in 1987 from 1 percent to 0.75 percent. This move tended to reduce regressivity, since the tax had to be paid even if the firm had losses.

The EPRP also addressed some anomalies in the tariff schedule that had resulted in domestic industries receiving negative protection. Thus, tariffs on a large group of raw materials and semifinished goods have been cut substantially.

Available evidence suggests that the tax reform package has had modest positive economic impact. While the individual tax cuts were relatively minor, in their entirety they do provide incentives to firms to hike output, investment, and employment[1]. The increase in after-tax net cash flow resulting from the cuts (holding everything else equal) should have some positive impact on GDP growth and employment; for Sub-Saharan Africa, econometric work suggests that lower taxes do produce higher economic growth.

If the reforms produced positive incentive effects, we would expect to see some decline in tax collections following their implementation. Indeed, that has been the case. Collections for the payroll tax, cut early in 1986, were down to FCFA 1,614 million in 1988 from FCFA 2,683 million in 1985; collections for the business income tax that was lowered in early 1987 fell from FCFA 4,670 million in 1986 to FCFA 3,215 million in 1988. However, some of the decline can also be attributed to stagnant domestic demand.

Data from the Mission survey reinforce the positive impact of the tax reductions. Some 91 percent of formal sector firms were aware of the tax reform measures and, of these, 98 percent indicated they benefited from the reforms. Specifically,

- Forty-four percent indicated that after-tax profits had increased (all the more significant in the face of stagnant domestic demand). For those that did not register increased profits, they either were being more honest in their tax computations or had increased employment.

- Sixteen percent said they made investments that they would not otherwise have made.

- Twenty-seven percent responded that they had hiked employment, at least in part because of the reduction in the payroll tax. (The alleged inability to lay off a person once hired owing to stipulations in the labor code may be a severe discouragement to new employment.)

---

[1]For instance, the reduction in the payroll tax from 15 to 7.5 percent lowers industrial production costs by only 1 percent; given that labor costs to the firm consist of wages, the payroll tax, and social security contributions, halving the payroll tax produces a 7-percent fall in labor charges and wages. In Mali labor costs traditionally have amounted to less than 10 percent of production costs for many of the bigger firms. However, even for such firms, the payroll tax reductions together with the cut in business income taxes and the minimum turnover tax would produce a roughly 14-percent increase in business cash flow.

While the Malian economy appears to have benefited from the tax reductions, the gains have been modest--understandably so, because the rate reductions were modest.

Some of the reductions have been offset by tax increases elsewhere. The *patente*--an annual business license tax--has been increased substantially. Rates have been hiked by about 50 percent, and some firms have been "bumped" up into higher rate categories, so that the effective increase has been more than 50 percent. According to our calculations, the increase in the *patente* has, on average, largely offset the benefits from the lower business income tax. Of the formal sector concerns surveyed by the Mission, some 19 percent of those that indicated that profits had fallen attributed the declines to the revised *patente*. In fact, some labelled the increase in the patente as "catastrophic." In addition, the *valeurs mercuriales*[2]--the value used by the authorities to assess imports for taxation purposes--either have been increased or done away with, effectively hiking import taxes and revenues, but improving the structure of effective international trade taxes.

Finally, the current fiscal regulations are still very complex and open to divergent interpretations. Tax payments may depend less on the ability to pay than on the authorities' subjective interpretation of the taxpayer's ability to pay.

3.1.3 Commercial Code

The EPRP helped secure the March 1986 enactment of a new, comprehensive commercial code whose provisions came into effect at the beginning of 1987. The new code makes more transparent the rules governing business by publishing in one document all regulations concerning all aspects of commerce. Most important, the new code considerably simplifies business registration requirements: a commercial register kept by the courts replaces a cumbersome procedure that involved a number of Government agencies and required final approval by the Minister of Finance.

So far, the new code appears to be well appreciated. The president of Mali's Chamber of Commerce considers the new code to be the best element of the EPRP, and the head of the Employers' Federation considers it an unqualified success.

---

[2]In the past, the *valeurs mercuriales* in many instances had not been altered for extended periods, producing an erosion in import tax revenues in real terms.

Certainly, business registration data suggest that it is now easier to formally establish a business. Registrations at the principal court in Bamako stood at 1,355 at the end of 1988, an increase of more than 370 percent since 1985. An additional 267 firms have registered so far in 1989. According to interviews, most of the firms registering were already in business, and they represented both the formal and the informal sectors.

Of the businesses covered by the Mission's ongoing survey of the formal sector, 84 percent were registered. The formal sector firms appear to be registering for essentially two reasons. First, at the time of registration, the firm must provide an estimate of normal revenue; if they do not register, the revenue figure that they report for filing for taxation purposes can be more readily contested. Second, if they have legal problems or are involved in a dispute, they feel they will not be listened to by the authorities unless they are registered.

While some firms in the informal sector were not aware of registration procedures, a separate ongoing Mission survey of informal sector enterprises indicates that 30 percent are registering, essentially for the same reasons as the formal sector.

The registration of informal sector enterprises suggests a movement of the enterprises into the formal sector. From a macroeconomic perspective, one supposed benefit of such a movement is enhanced tax revenues. However, such tax revenue increases are unlikely to occur on a large scale in Mali. Almost all the informal sector enterprises now registering already paid taxes, in most instances on a *forfait* basis. That is, they did not pay taxes on the basis of accounting records. Instead, authorities assessed taxes on the basis of some indicator that could substitute for accounting income, such as square footage of the establishment, number of employees, and so on.

Another potential benefit from movement to the formal sector is the promotion of growth in those enterprises making the move. To realize the benefits from being an informal sector enterprise, an entity must remain small, limiting its output and hiring. However, once it becomes a formal sector enterprise, it can continue to grow, establishing its basis for access to formal sector credit. Any such benefits for the Malian economy, however, are likely to have been small so far. The depressed state of the Malian economy has limited opportunities for expansion. Furthermore, formal sector credit has traditionally been available mainly for short-term, revolving, commercial purposes; little credit has been provided for investment purposes.

On balance, we believe the new code's impact has been marginal for a number of reasons:

- -- The old code's business registration requirements were never rigorously enforced. Business could and did operate without being registered. If business concerns had completed all the requisite formalities, they never would have started in business. However, not being approved presumably left them legally insecure and open to harassment.

- -- Bureaucratic interference continues. Delays in civil service salary payments, a continuing problem in Mali, encourage this.

- -- Although the new code calls for establishing commercial courts to handle disputes arising from business activity, none has been established. The absence of a functioning commercial court system to enforce property rights and to protect individuals and corporations against the violation of contractual arrangements continues to make business deals risky.

- -- The new code does not fully mesh with the entire body of laws and regulations applicable to business activities and transactions.

Moreover, while 72 percent of formal sector concerns covered in the Mission survey thought it was a good idea to relax the business registration requirement, less than 13 percent of the concerns indicated that they had benefited from the new code's relaxed registration requirements.

3.1.4 Import and Export Controls

In the past 2 years, spurred by the EPRP, Mali has liberalized import and export controls. In 1988, the Government discontinued import quotas on 10 products--sugar, milk, salt, tea, insecticides, vehicle batteries, dry cell batteries, household appliances, household goods, and petroleum. For the 10 products, which accounted for some 40 percent of the value of Mali's imports, import licenses would be provided freely by the authorities. Effective June 1989, the Government replaced import and export licensing by a registration system, abolished the import quota system, and established a one-stop window in Bamako (*guichet unique*) for the fulfillment of all administrative requirements for international trade transactions.

Under the new import registration system, the importer declares to the authorities his intention to import and receives an authorization. The authorization, which is good for 6 months, is given automatically; the authorities no longer exercise discretion, so the potential for rent-seeking behavior has been eliminated.

Because these liberalized trade procedures were implemented so recently, it is premature to assess their specific impact. In a positive development, the IMF reports that imports, including intermediate and investment inputs, are on the rise so far this year.

Nonetheless, it is probable that the impact of the liberalization of import controls will be modest. In many instances, especially in the industrial subsector, the quotas were never binding. Additional allocations were available above initial allocations. In addition, while the formalities to import under the new import registration system can now essentially be taken care of at one time at the *guichet unique*, importing still remains cumbersome: the importer must obtain a proforma statement from his supplier, secure Malian insurance, register his intention to import with the banking system, and pay a registration fee to the Ministry of Finance.

Also, in seeking to raise import revenues by eliminating fraud and over-invoicing, the Government may have made importation more difficult. In a recent development, overseas suppliers are required to send confirmations of imports, including volume and price, directly to the Ministry of Finance. Importers complain that this requirement impedes flexibility in their operations; they must commit themselves to a certain level of imports too far in advance. In addition, SGS--a Swiss firm engaged for surveillance of the new system--must verify quality and price of goods prior to shipment to Mali, a process that importers say can increase transaction costs. These are recent developments and it is premature to assess impact. The importer complaints may or may not be valid. There is also some indication that the Government may not always play according to the rules. It could, for example, block imports of sensitive items such as rice, a major staple.

3.2 Public Sector Restructuring Impact

3.2.1 Improved Public Sector Efficiency

The thrust of the EPRP's public sector restructuring component was to improve the efficiency with which the public sector delivers services. The reasoning was that if additional funds were allocated for *matériel*--supplies and equipment necessary for Government employees to do their jobs--efficiency would increase. Increased allocation for supplies would be accomplished by limiting personnel expenditure through hiring ceilings and the Voluntary Early Departure (VED) Program.

The EPRP design expressed measurement of efficiency by the ratio of *matériel* expenses to personnel expenses. The ratio has changed, and for the better[3]. The wage bill jumped from 1985 to 1986, then remained relatively constant throughout the 1986 to 1988 period. It will even decline in 1989, with the combined impact of IMF-imposed hiring ceilings, the VED Program, and constant wage rates. Expenditures on scholarships have been constant, per another IMF condition. A final major budget category--a mixture of special funds and nonallocable expenses--shows a slight upward trend.

The program was successful in increasing the ratio of *matériel* to personnel expenditures. The improvement in the ratio is much greater than was anticipated, almost entirely because of the lack of growth in the wage bill. The amount of money spent on supplies, in real terms, also was greater than anticipated.

The allocation of the increased *matériel* expenditures among the various ministries was investigated. Because a new classification system was introduced in 1987, only the comparison of 1988 to 1987 expenditures was reliable.

In 1988, *matériel* expenditures for all ministries were FCFA 13.3 billion compared with FCFA 10.6 billion in 1987, an increase of over 25 percent. However, the Ministries of Defense and Foreign Affairs and the Presidency accounted for 76.8 percent of the increased expenditures on *matériel*. For its part, education received 19 percent of the increase. Natural resources, agriculture, and health each received less, in nominal terms, in 1988 than in 1987.

Education Ministry budgets were examined in more detail to see how the additional funds were allocated. Again, comparing 1988 with 1987, the Ministry of Education’s nonwage budget rose

---

[3]Data problems were particularly acute for this element of the evaluation. Inconsistencies, changing nomenclature, and using budget plans or actual budget execution were the principal constraints. For example, IMF figures (based on payments and estimated accruals) show the ratio as 0.23 in 1985, then rising to 0.27 and holding constant for the 1986-1988 period. Recent project data--based on actual expenditures--yield a 1986 ratio of 0.317 rising to 0.485 in 1988.

20 percent. About 15 percent of the increment went for supplies, the balance for scholarships.

In summary, one intended impact of budget restructuring was to increase the productivity of Government services by providing more supplies and equipment to employees--for example, more teaching materials, gasoline for field supervision, and so on. The economic and social sectors, with the exception of education, have done rather poorly. Even the Ministry of Finance, which is the target for major productivity improvements, received less *matériel* in 1988 than in 1987.

3.2.2 Tax Administration

To make the tax rate cuts sustainable, the EPRP sought to improve the collection of taxes through (1) gradual automation of the tax returns managed by the income tax authorities, (2) strengthening of the National Investigation Unit and Cross-Checking Service, and (3) extension of the Customs Department computer system.

The EPRP may be having a positive impact on tax collections. While tax revenues in 1988 were 14 percent below those for 1987 and 22 percent below these for 1986, in part because of tax rate cuts, collections were actually up in some instances where rates had not been cut, presumably owing to better performance. Collections on the General Income Tax and the Domestic Sales Tax were up 30 percent and 17 percent respectively between 1985 and 1988. This finding is all the more remarkable in light of the depressed state of the economy.

So far in 1989, fiscal receipts are up sharply, including 44 percent in customs alone over the same period in 1988. In the past 2 years, customs collections had been down because of lax enforcement and the depressed state of the economy. Among the reasons commonly cited for the improved collection performance this year are the increases in and/or the abolition of the *valeurs mercuriales* as a basis for customs assessment and the expanded use of computers in the customs department. In addition, the IMF also expects revenues to be bolstered by the initiation of legal proceedings against the largest delinquent accounts. The adjustments in *valeurs mercuriales*, the expanded use of computers in the customs department, and enhanced Government action against tax delinquencies can be attributed directly to the EPRP.

3.2.3 Voluntary Early Departure Program

The VED Program, viewed one way, is a "bridge" between the public sector restructuring and the private sector enhancement components of the EPRP. Growth in the civil service wage bill would be slowed by early retirements. These same early retirees would be given encouragement and extraordinary access to resources with which to establish themselves in the private sector.

The VED was seen as a pilot program. A.I.D. and the Government of Mali established an objective of 600 departures over a 2- to 3-year period (1986-1988). This number represented slightly more than 1 percent of the civil service, then estimated at between 40,000 and 50,000.[4] The basic criteria for program eligibility were simple: essentially, participants had to have worked for at least 5 years in the civil service and had to be at least 5 years from retirement. Each volunteer would receive the following:

- A severance payment, roughly equal to 3 to 4 years' salary
- Retirement benefits, either a lump-sum payment or full pension at retirement age (this depended on length of service and years remaining until retirement)
- Financial support for feasibility studies a participant might want to conduct on a proposed business venture

In addition, for those with "bankable" project ideas, a loan guarantee fund was established (the fund would reimburse banks for up to 50 percent of the unpaid balance, up to FCFA 5 million per loan).

It was estimated that 500 out of the 600 volunteers would avail themselves of the feasibility studies provision, and 180 would eventually qualify for loans. The PAAD suggests that most volunteers would establish themselves in some sort of agricultural endeavour.

The program started about a year late. Meeting conditions precedent for the first budgetary disbursement took more time than envisaged. At the time of this evaluation, the "departure" element of the program was effectively complete, with a total of 644

---

[4]Estimates for the size of the civil service vary. The Program Assistance Approval Document (PAAD) cites a civil service of 47,286 in 1981. Another 50,000 in municipalities, rural development organizations, and parastatals were reported to be employed by the Government. For better control of the civil service, the EPRP encouraged improved computerization of the payroll and a physical census of the civil service.

VED applicants processed in three waves: 210 applications were processed in 1987, 300 in 1988, and 134 in 1989. Overall, almost 1,200 applied. Criteria for choice of participants were the order of application and a distribution by level of seniority to ensure that costs did not exceed the funds available. No effort was made to take participants only from occupational categories in excess supply.

Almost three-fourths of VED participants were from Bamako; about one-sixth were women. By civil service profession, slightly over half (53 percent) were teachers; employees from public works made up 14 percent, followed by agriculture and livestock workers, with 12 percent. Given the poor state of the education system in Mali, the fact that a high number of educators participated in the VED Program could have an unintended negative impact.

The budgetary impact of the program can be well quantified. For 1990 (the first full year of savings for all VED participants), estimated savings are FCFA 458 million, slightly over 1 percent of the wage bill. This is somewhat below PAAD estimates of FCFA 792 million. The difference is due in part to actual wages being below the PAAD's estimates and the composition of participants being somewhat less highly paid than the PAAD had assumed. The savings will continue into the next century, tapering off as people would have retired in any event.

From the first wave of early retirees, the vast majority (84 percent) claim to have established a business. All but a handful of the business involved an investment of less than FCFA 2.5 million ($7,500). Many VED participants have used their funds to start their own businesses. Some have hired people to help them, thus generating a certain amount of employment. Some of these businesses have been quite successful.

The team visited several businesses to see how the new entrepreneurs were doing. People who opened pharmacies and auto parts shops seem to have fared the best. Three shops particularly impressed us. Two of these were started by women. The operators are all making significantly more money now than they did as civil servants. One of the women compared sales volume from her first days with current figures. Her gross sales have climbed from less than FCFA 10,000 daily when she began 6 months ago to FCFA 200,000. Like the other successful entrepreneurs with whom we talked, she is very happy with the progress of her business.

Relatively few VED participants, however, have taken advantage of the feasibility study option and bank loans. To date, 55 have had feasibility studies conducted and 20 have received loans. Of the 20 loans, only 6 are from banks participating in the EPRP's loan guarantee program; the balance are from a European Development Fund (FED financed medium- and small-enterprise development project. The largest loan amount from the banking system is FCFA 3.5 million; the largest from the FED project, FCFA 20.0 million. Thus, about 80 percent of the new entrepreneurs must have used at least part of the departure payment to establish themselves in small business.

The Government of Mali has not yet made a systematic attempt to follow up on the VED participants. Many of these people used their severance money to assist their families in various ways, most often to pay costs associated with rites of passage--births, marriages, deaths. In terms of numbers and amounts of loans through the banking system, actual activity has fallen short of expectations. However, if one accepts the figure of 80 percent establishing themselves in a business, some 500 or so VED participants did enter small-value commerce (e.g., retail, taxi). Studies of medium and small enterprises in other settings (especially where little or no training or monitoring is provided) suggest many of these entrepreneurial activities will fail. Given the modest level of economic activity in Mali and the limited short-term potential for growth in the economy, it is hard to imagine that even the majority of VED participants would be successful. In addition, anecdotal evidence indicates that varying portions of the VED departure payments went for large consumer purchases, loan repayments, and financial support to members of the extended family.

However, it is known that many civil servants moonlight; they may have used the departure payment to reinforce or expand an established enterprise.

Some departees we visited were totally ill-prepared to properly invest or conserve their funds. They may become part of the problem instead of part of the solution. The team also met some participants whose new unemployed status meant they no longer had access to informal credit. While these incidents are anecdotal, it does indicate a possible reason for concern, and continued study of the participants is in order.

The VED Program has been successful up to a point. The number of participants exceeds the target by a good margin, and the budget savings are real. The Government clearly demonstrated its commitment to restraining the wage bill by entering into the program. The advertising, selection, and payment processes, while cumbersome, seem to have been reasonably well carried out.

The savings attribution should not be overstated, though. A far more effective measure was capping the number of new entrants into the civil service. Starting in 1987, the civil service has experienced a net loss, as the effect of attrition (and, to be sure, the VED Program through 1989) is significantly more than new hires allowed under the IMF hiring ceiling.

The factors influencing the relatively poor response by VED participants to feasibility studies and loans for private sector opportunities are many and complex. Many constraints on the private sector in general have already been pointed out. For the VED Program, we might add the following factors:

- The "hand out" mentality. Some participants hold the belief that Government owes them security--in the form of more cash, guaranteed loans, or other support.

- Misunderstanding over the guarantee fund. Some participants believed the guarantee fund meant they were to be guaranteed a loan of up to FCFA 5 million. Related to this was the attitude of some that the loan procedures were simply not worth the effort.

- The commercial banks considered VED participants high credit risks, particularly given the generally poor quality of the feasibility studies, lack of training, and location (if they were not from Bamako or another urban location where the bank could follow the activity).

4. LESSONS LEARNED

The EPRP must be viewed in context, as one part of a large, multisectoral reform effort undertaken by the Government. U.S. assistance, along with that of other donors, has helped make reform possible. It has made the bitter pill sweeter, though the cure will take a long time. It is in this light that the accomplishments of the joint effort of Government and donors must be assessed.

U.S. assistance was particularly critical in the early years of the EPRP. At that time, negotiations with the World Bank on structural adjustment had bogged down, and the IMF standby was collapsing. The U.S. presence and continued support gave an otherwise beleaguered Malian Government an important psychological lift.

The project is seen as very "human"--structural adjustment with a human face. The role played by the VED in making reform "sellable" is significant. The Malian and U.S. managers are viewed as concerned about what happens to public sector employees in general and to early retirees in particular. A business course offered to VED participants is cited as evidence. The open office doors of project managers are also cited. People interviewed spoke highly of the assistance. One participant called it "a people project" rather than "a bricks and concrete" project. Thus, though goodwill is not something we can quantify, it is not an insignificant project effect.

4.1 Expectations

The economic reform program took place in one of the least developed countries in the world. Growth in these circumstances--even with a highly favorable policy environment and sound program execution--is a long-term proposition. Future programs in such resource-poor countries should realistically assess the likely impacts, emphasizing their long-term nature. To set our sights too high is to invite failure. To limit our horizons to 5 years is to leave an important task unfinished.

4.2 Staying the Course

Maintaining and building the Government's confidence in the private sector is important. Concern about possible excesses of unbridled competition continues to preoccupy many in Government and the business community. This concern could provide impetus for return to regulation to ensure "orderly markets" and monopoly positions for the larger clients of the banking system. The policy dialogue of the USAID Mission and other donors have so far blunted this concern. The dialogue should be maintained.

4.3 Linkages

The program's notion that greater public sector efficiency would result from EPRP reforms suggested stronger linkages and shared objectives than may have been the case. This is particularly the case for the social sectors. If the intent is to increase the efficiency of, say, an education ministry, we would suggest the following approach: that the program agreements (and supporting analysis) be more directive (targeted), or that program assistance to the specific sector be considered.

The former option may suppose more leverage than is actually possible; the second option would be less likely to succeed in the absence of an overall appropriate policy climate. Another approach to improved efficiency, of course, is privatization of services through contracting mechanisms.

4.4 Program Management

More as an observation, the evaluation team reaffirms the growing notion that nonproject assistance is staff-intensive. Considerable A.I.D. and Malian Government time has been devoted to program implementation and monitoring. Monitoring in particular is a challenge, given the widespread data problems.

4.5 Economic Policy Reform Program

The Mali EPRP was an extremely complex multifaceted program with a number of elements. Yet the program was well implemented. This can be attributed to the program's long lead time in preparation, including recruitment of sound technical assistance. In this respect, other EPRP programs should follow the Mali example.

5. BROADER ISSUES

-- ***Employment.*** Considering the dwindling number of graduates entering Government service and the thousands of public sector employees being laid off, a critical mass of relatively well-educated and trained unemployed is emerging. Only now are education authorities undertaking restructuring of the higher education system to make education more relevant to Mali's needs. The private sector offers limited capacity to absorb these people. The status of this group (and of future graduates) and how they can best be absorbed into the economy are key unanswered questions.

-- ***Appropriateness of intervention.*** While we can demonstrate that the EPRP produced economic benefits, the benefits are admittedly modest. Would greater benefits have been achieved in other areas of the economy, for example, cotton or livestock, where Mali has a comparative advantage?

-- ***Long-Term impact.*** Restructuring public finance through tax reform and containment of the civil service wage bill may effect short-term savings but be offset by higher future costs. The voluntary retirement of 330 educators where primary school enrollment is under 20 percent has broad implications for production increases, private sector expansion, development in general, and the rate of population growth in particular.

-- ***Monetary issues.*** The team heard several comments about the lack of credit being a constraint to business. It was apparent that credit was indeed scarce, and many attributed this fact to IMF-imposed ceilings. It is also likely the lack of bankable projects reinforced this perception. This issue merits further investigation.

APPENDIX A

METHODOLOGY

The methodology employed in evaluating the Mali Economic Policy Reform Program (EPRP) was deductive in nature. Hypotheses were introduced, and these were rigorously tested, utilizing a variety of sources.

In testing our hypotheses, however, we were dogged every step of the way by data problems. There was almost a total lack of data, and what data were available were unreliable and inconsistent. Essentially, there was a complete absence of data on private sector employment as well as reliable time series data on other indicators of economic achievement.

Our task was complicated by the difficult economic environment in which the Mali EPRP was operating, including (1) an almost 50 percent fall in the export price of cotton--the country's chief export, (2) the 1987 drought, and (3) a comprehensive economic stabilization program. These developments, which more than overwhelmed any benefits from the Mali EPRP at the macroeconomic level, meant that we had to focus almost exclusively at the micro level--individual businesses and consumers--to discern benefits from the EPRP. Here we were fortunate that Mission-funded surveys of more than 100 formal sector enterprises as well as entities in the informal sector were under way. Some preliminary results already were available, and these were incorporated into our assessment of the program. Other business surveys that had been undertaken in recent years appeared to be seriously flawed from our perspective.

Our task also was made less daunting in that we did not have to "start from scratch." There were a number of documents that already had been produced, including the mid-term evaluation of the EPRP, the Metametrics study of the Voluntary Early Departures Program, and, most recently, the Berger Mali: Fiscal and Regulatory Reform Impact Assessment as well as a number of other background documents such as Gellar's private sector assessment and Oppenheim's institutional profile. These and other materials were read by every member of our four man team, and from these materials we derived a number of our hypotheses.

These hypotheses were tested through extensive interviews with officials from the Government of the Republic of Mali (GRM), international organizations, and the private sector. These interviews enabled us to either confirm or discard these hypotheses. One such hypothesis is the linkage of price decontrol to reduction in prices. We theorized that with price decontrol the premia that entities incorporated in their pricing structure to reflect the possibility of being fined for evading the price controls would be eliminated, thereby permitting a lowering of prices. This hypothesis appeared to be confirmed by our interviews. The interviews also enabled us to critically assess the validity of the background documents. For instance, we felt that the Berger study had short-changed the program; its assessment of the Mali EPRP was far too negative. In assessing the hypotheses, little economic data were collected, except on the fiscal side where we sought to document in detail GRM expenditure and revenue components.

In undertaking the evaluation, unique responsibilities were meted out to each individual team member. The Mali EPRP had three major components, consisting of:

-- easing the regulatory constraints to private sector activity in Mali, including

- reducing what had been high marginal tax rates,
- revising the commercial code,
- decontrolling prices, and
- loosening import and export controls

-- improving the efficiency with which the GRM delivers essential services, and

-- instituting a voluntary early retirement program for civil servants.

A member of the evaluation team was assigned to investigate and assess the economic impact of each of the three components. The fourth member of the team--a social analyst--examined the social implications of the overall Mali EPRP. The team leader was charged with overall drafting responsibilities, melding each element of the report into a cohesive, succinct, well-documented package. All team members had the opportunity to read the final draft report and furnish comments. While the team leader was the final arbitrator, few differences emerged among the team members. There was a remarkable degree of unanimity in views and perspectives on the Mali EPRP.

APPENDIX B

CONTACTS/PEOPLE MET

Atwood, David A. USAID/Mali Agricultural Development Officer

Ba, Mamadou Moctar. Directeur General, Sada Diallo

Bally, Mossadeck. Directeur General Adjoint, BALLY S.A.

Brennan, Dennis J. USAID/Mali Director

Byess, Richard J. USAID/Mali Program Officer

Clark, Donald B. USAID/Mali Deputy Director

Coulibaly, Alassane. Director, Administrative and Financial Affairs Division, Ministry of Education

Coulibaly, Alpha. Ministry of Finance and Commerce, Project Coordination Unit

Coulibaly, Balla Moussa. President, Federation Nationale des Employeurs

Coulibaly, Tiena. Minister of Finance and Commerce

Deme, Moustapha. Director, Direction Nationale des Affaires Economiques

Derreumeux, Paul. Director General, Bank of Africa Mali

Diarra, Sisi. VED participant

Dicko, Houseini. Dep. Director, Direction Nationale des Douanes

Elliot, James. USAID/Mali Program Economist

Enders, Klaus. IMF Resident Representative

Garrity, Monique. World Bank Resident Representative

Guindo, Yacouba. President & Director-General, MALIMAG

Keita, Yacouba. Director, Bolibana A Primary School

Konate, Aboubacar. Administrative and Financial Affairs Division, Ministry of Education

Kone, Bacari. Ministry of Finance and Commerce, Project Coordination Unit

Maiga, Soumeylou. Member, Malian Economic and Social Council

Menta, Ousamane, former chairman of English Department, ENSUP

Merchant, Asif. Ingenieur Commercial, Directeur, TOLMALI

Moner, J. Deputy Director, Medium-Small Industry and Enterprise Project

Pringle, Robert. U.S. Ambassador to Mali

Siby, Tidjani. Computer Center, Treasury Office

Sidibe, Amadou. Chief, Computer Section, Direction Nationale des Impots

Sidibe, Oumar. Chief, Planning Division, Ministry of Education

Sidibe, Sara Maiga. VED participant

Sissoko, Moussa. Computer Center, Treasury Department

Sissoko, Oussebi. VED participant

Sylla, Mamadou. Merchant/landlord in Sogoninko (Bamako)

Toure, Ousmane. Dep. Director, Direction Nationale des Impots

Toure, Sansoussi. Director, Direction Nationale du Budget

Traore, Boubacar. Chief, Section Contentieux, Direction Nationale des Impots

Traore, Diancan Diallo. VED participant

Trillaud, J.P. Director, Medium-Small Industry and Enterprise Project

Tuan, Nguyen Anh. Ministry of Finance and Commerce, Project Coordination Unit

Woodruff, Neil J. USAID/Mali Health Development Officer

APPENDIX C

PRICE CONTROLS

The problem with price controls are well documented. They do not allow prices to perform their function as a signal, contributing to resource allocation inefficiencies. If price controls are rigidly enforced--prices are held below market clearing rates, they produce shortages. Price controls also produce opportunities for rent-seeking behavior on the part of government authorities, administering the price controls.

Prior to the onset of the Mali EPRP, all prices were controlled by the Direction Nationale des Affaires Economiques (DNAE)--through a complex mechanism that placed items in various categories. There were in theory no goods whose prices were not subject to regulation. Some sensitive items such as rice were set by GRM fiat each year based in part on political considerations, with no variation permitted during the year. For other items, prices were set sufficiently high to enable the seller to cover production costs and provide for a modest profit margin. Controls were either "ex ante" or "ex post". Under the "ex ante" mechanism, approval was required before a price could be increase; the seller had to submit his cost structure, basing it on invoices and other relevant documents. Through the "ex post" mechanism, the maximum selling price was set without prior approval by the DNAE; the seller could adjust his price at his own initiative but had to be able to supply all the documents to justify the change in the selling price if the change were contested by the DNAE. Generally speaking, DNAE viewed the price controls as not only "ceilings" but also "floors."

The price controls varied in effectiveness. Price controls on sensitive and/or mass consumed items such as rice were vigorously enforced. In other cases, price controls were not effective. The controlled price of the good was close to the real price. Alternative, the good was traded on parallel markets in which case enforcement of price controls was selective, e.g., millet and sorghum. The GRM simply did not have the resources at its disposal to enforce all the price controls. Sellers on parallel markets accepted the risk of fines.

APPENDIX D

TAX REFORM

At the time of developing of the Mali EPRP, assessment of Mali’s tax system pointed to problems in a number of areas. Tax rates were too high; they were too high in comparison with other countries at similar levels of income and foreign trade. More important, the Malian system taxed such a narrow base that the average and marginal rates of taxation had to be very high to generate an adequate revenue yield. The top marginal personal income tax rate of 50 percent (not including payroll taxes) was double and triple taxation of the same source of income, resulting in some cases in marginal rates approaching 80 percent.

The tax structure was deficient. It was complicated and difficult and costly to administer, inviting tax evasion and avoidance and fraud. There were important disincentives inherent in the rate and base structures. Dividends were taxed twice, discouraging savings and investment; incorporated companies paid tax at a 50 percent rate and that business income when received as a dividend payment was taxed again at an 18 percent rate. While the self-employed went virtually untaxed, there was relatively high tax rate of formal sector labor income--a 15 percent payroll tax that discouraged new hires. The high marginal tax rates produced a substantial incentive for tax avoidance. Many types of imports were exempt from the indirect tax system. Long-term exemptions, especially on import taxes, for large scale private firms covered by the investment code deprived the GRM of tax revenues, placing a heavier burden on the rest of the private sector. High real estate and rental taxes discouraged the construction industry. The system also was characterized by poor enforcement which compounded the inequities. The system was not transparent. Tax assessments were the outcome of negotiations between the authorities and the tax payer. The problem was simply that the Malian tax structure had evolved over a period of time in a very haphazard manner.

The administration of the tax system was weak. There were too few trained tax administrators; salaries were too low, producing incentives for rent-seeking behavior; and there was limited opportunity for advancement. These administrative problems were heightened by the complicated system which was difficult to administer in any case and by outmoded procedures. There was no manual for income tax administration. use of third party information to detect non-reporting or under-reporting was limited. Audit activities were limited and not productive. Finally, the administration was manual, rather than computerized, and there was general disarray in record-keeping.

BIBLIOGRAPHY

Agency for International Development. 1985. "Mali Economic Policy Reform Program." PAAD. Washington, D.C.: A.I.D. August.

Agency for International Development, 1988. "Country Development Strategy Statement, FY 1990-1994, Mali." Washington, D.C.: A.I.D. May.

Agency for International Development. 1988. "Mali Economic Policy Reform Program." PAAD Supplement. June.

Agency for International Development. 1989. "Action Plan, FY 1-990-1991, USAID/Mali." Washington, D.C.: A.I.D. May. Photocopy.

Agency for International Development. 1989. "Mali Economic Policy Reform Program." PAAD Supplement No. 2. Washington, D.C.: A.I.D. August.

Atwood, David, and Elliot, James. 1989. "Economic Growth, Food Crop Research and Agriculture in Mali." Bamako, Mali: USAID/Mali. March. Photocopy.

Bui, Dat, and de Raet, Pierre. 1989. "Mali: Fiscal and Regulatory Reform Impact Assessment Study." East Orange, New Jersey: Development Economics Group of Louis Berger International, Inc. May.

Cowan, L. Gray. 1986. "Trip Report: West Africa, Privatization in Mali, Ivory Coast, and Guinea." Washington, D.C.: Bureau for Program and Policy Coordination, Agency for International Development. April. Photocopy.

Diallo, Abdoulaye, and Elliot, James. 1989. "Executive Summary of Special Study on the Mali EPRP Voluntary Early Departure Program." BAmako, Mali: USAID/Mali. March. Photocopy.

Gellar, Sheldon. 1985. "Public Sector Reform and Private Sector Expansion in Mali: The Institutional Context." June. Photocopy.

Ministry of Finance and Commerce. 1989. "Point de l'exécution des mesures de reformes retenues dans la composante 'Restructuration Budgetaire' du 'P.R.E.'" Bamako, Mali: Government of Mali. Photocopy.

Ministry of Finance and Commerce. 1989. "Point d'exécution de la Composante 'Reforme Fiscale' du P.R.E." Bamako, Mali: Government of Mali. Photocopy.

Ministry of Planning. 1989. "Comptes économiques du Mali: 1987 Resultats préliminaires." Bamako, Mali: Government of Mali.

Ministry of Planning. 1989. "Eléments de conjoncture, 1er trimestre 1989." Bamako, Mali: Government of Mali.

Grant, William, and Hanel, Petr. 1988. "A Study of the Business Climate in Mali." Bamako, Mali: USAID/Mali.

Hermann, Chris, and Gordon, Edgar. 1987. "Mid-Term Evaluation of Mali's Economic Policy Reform Program." Photocopy.

International Monetary Fund. 1988. "Mali--Medium-Term Economic and Financial Policy Framework (1988-1992)." Washington, D.C.: IMF.

International Monetary Fund. 1988. "Mali--Recent Economic Developments." Washington, D.C.: IMF.

International Monetary Fund. 1988. "Mali--Structural Adjustment Arrangement." Washington, D.C.: IMF.

International Monetary Fund. 1989. "Mali--Review Under Standby Arrangement." Washington, D.C.: IMF.

Oppenheim, Jeremy. 1987. "Policy Reform and Private Sector Development--The Case of Mali." USAID/Mali. Photocopy.

Oppenheim, Jeremy. 1987. "Institutional Reform and Private Sector Development in Mali." Bamako, Mali: USAID/Mali. Photocopy.

Seydi, Ibrahima, and Solomon, Morris J. 1988. "Rapport d’évaluation du programme de départ volontaire des fonctionnaires à la retraite anticipée (P.D.V.)." Washington, D.C.: Metametrics, Inc.

Switzer, Charles Dudley. 1989. "Tax Administration in Mali." Bamako, Mali: USAID/Mali. Photocopy.

Wilcock, David C., Roth, Alan D., and Haykin, Stephen M. 1987. "Cereals Marketing Liberalization in Mali: An Economic Policy Reform Assessment." Washington, D.C.: Bureau for Africa, Office of Development Planning, Agency for International Development.