



**USAID**  
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# Systems Analysis of Mali

USAID/Mali and DCHA(PPM & CMM)

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## Executive Summary

Following the 2012 coup, U.S. Government assistance to Mali was restricted until the successful presidential elections in July 2013. Upon lifting the restrictions, USAID decided to carry out assessments with the objective of influencing the programming of U.S. foreign assistance. With support from the Bureau for Democracy, Conflict, and Humanitarian Assistance, USAID/Mali undertook a systems analysis to identify the many interrelated governance and conflict issues in Mali.

While only a first step in the Mission's analysis of the current dynamics that characterize Mali, the team's overarching assessment is that the fractured social contract between the Government of Mali and the Malian citizens undermines all areas of governance and socio-economic development. Specifically, illegitimate and ineffective institutions; weak capacity; significant challenges facing reconciliation; and inadequate civic engagement undermine all areas of daily life in Mali. These key areas are all incredibly entwined and must be accounted for in future governance programming given the overall challenges they pose for achieving sustainable impacts.

In spite of the many challenges facing Mali, the team did find bright spots that could potentially be bolstered with further analysis as the first step in that process. Specifically, the potential to build upon the grassroots work being done by the traditional institutions is ripe for exploration. Secondly, there was an overall message that even though significant challenges remain with governing institutions, the population still very much believes in the benefits of a democracy as demonstrated by the unprecedented participation in the recently held presidential and legislative elections.

While the assessment revealed a number of key issues, the team recognized that a week in Bamako provided insufficient information to fully understand the complicated governance issues facing the broader Mali and therefore has provided recommendations for further analysis which would provide USAID/Mali a more complete view of the issues.

Lastly, the team would like to extend our appreciation to the many individuals from USAID/Mali, the U.S. Embassy, Civil Society Organizations (CSO), Implementing Partners and the Government of Mali who agreed to share their views, opinions and recommendations with us. We recognize the contributions of both the Program and Governance office at USAID/Mali, who in spite of the many hurdles faced over the past two years, remains optimistic about Mali's future.

## Introduction

Now that credible, peaceful and democratic presidential and legislative elections have taken place in Mali, the time is right for the Malian government and its people, as well as the international donor community, to reassess the various interconnected dynamics governing political and societal relations in Mali. USAID/Mali intends to embark on developing a new five-year Country Development Cooperation Strategy (CDCS) in early 2014. The Mission will not be starting from scratch as it already has informal development objectives and functional strategies in the areas of health, agriculture-led growth, climate change adaptation, and basic education. However, the Mission believes taking into account the deficits in democratic governance, the fragility of the state and the conflict in northern Mali is critical and may require the development of cross-cutting or a special objective for its CDCS.

USAID/Mali and the Office of Policy and Program Management and the Office of Conflict Management and Mitigation within the Democracy, Conflict and Humanitarian Assistance Bureau formed a team to undertake a systems thinking exercise in order to better understand:

- Deficits in democratic governance that impact Mali's fragility
- Conflict dynamics in Mali particularly in the north
- Where there are "bright spots" that USAID may be able to build on

***Systems thinking*** is an analytic methodology that helps to identify the connections and interactions among the various factors that are affecting and/or affected by issues of politics, governance and conflict. It looks beyond the individual factors themselves and tries to see the relationships between the factors – the interplay of these relationships define the system.

Specific questions that the systems thinking assessment sought to understand in greater depth included:

- What grievances fueled the political and security challenges that came about with the 2012 coup?
- How do other cross-cutting issues – such as resilience, marginalized populations, illicit trafficking and religious activism – relate to or affect Mali's other development objectives?
- How will the Mission engage differently with both society and the state in order to not perpetuate the current political and security challenges that are inhibiting development?

It is worthwhile to note that this assessment was conducted on the heels of an assessment that looked at resilience in Mali and ways in which the Mission may want to incorporate resilience programming into its CDCS.

Following this assessment, the team has identified particular gaps that require further analysis and has made particular recommendations as well as identified what governance and peace and security issues are in the Mission’s manageable interest to perhaps address moving forward.

## Methodology

The systems thinking team focused on understanding the context and dynamics impacting the broader governance system in Mali, their interaction with one another and how the system may influence future mission programming. This exercise was not intended to identify potential programmatic opportunities but instead to provide an overview of the current dynamics in Mali, what challenges exist, where things were functioning in a positive way, and what gaps in information remain that would benefit from further sectoral analysis.

The four person team conducted 18 interviews in Bamako – with both individuals and groups – and met with 48 representatives of the following sectors:

- Government officials (both elected officials & civil servants)
- Civil society organizations
- Researchers/academics
- Implementing partners
- INGOs
- Traditional and religious leaders
- Journalists
- Political Party Leaders
- Donors
- USG officials

Due to lack of time and logistics, the team was only able to hold meetings in Bamako. Though the team met with representatives who came from outside of Bamako, including from the North, the findings still do not adequately represent the opinions of individuals and groups located outside of the capital. The team recognizes this as a gap in the analysis and recommends that whenever possible, preferable sooner rather than later, more in-depth research and interviews are done in the northern regions as well as Segou, Kayes and Sikasso in order to provide a more comprehensive picture.

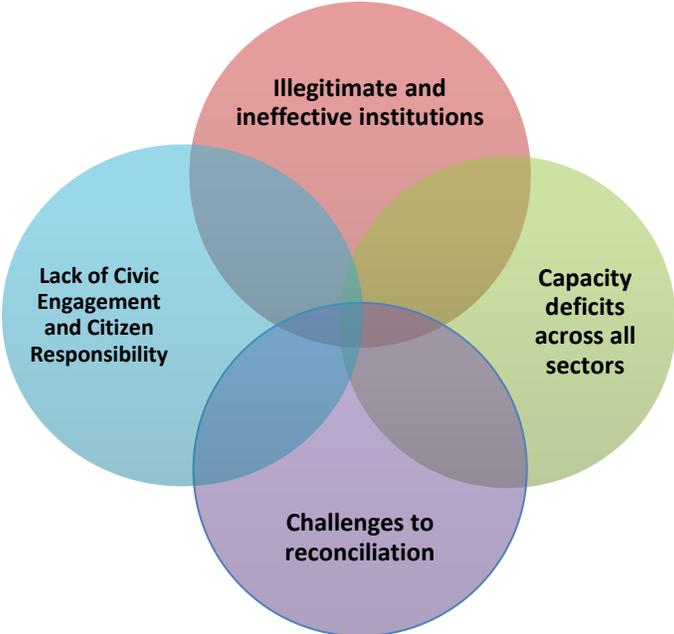
## Four Key Themes

The central theme that emerged during the assessment is the **fractured social contract between the Government of Mali and the Malian citizens**. A state that is willing and able to provide goods and services to its population and is perceived to be exercising power in ways that are fair, inclusive, transparent, and accountable can be characterized as effective and legitimate. However, when the relationship between state and society is strained and interactions produce outcomes considered illegitimate or ineffective, the state is considered to be highly fragile.

Fragility<sup>1</sup> is associated with a limited willingness and/or capacity by the state to perform key functions within its purview and to address a wide range of public policy and governance challenges. Fragile states are extremely weak and often lack the capacity - and in some case the willingness - to provide public goods and services to its population that are expected of it. When this becomes consistent pattern, the social contract breaks down and grievances start to emerge. This is often due to a widespread perception that the government does not represent the population and in turn, the citizens lack the knowledge and/or will to engage their government to hold them accountable.

The findings from the Mali systems analysis revealed that the break down in the social contract has been fueled by four primary factors. Specifically, **illegitimate and ineffective institutions** demonstrated by endemic corruption, lack of political will, lack of accountability and pervasive insecurity; **weak capacity** across all institutions, both governmental and non-governmental; significant **challenges facing reconciliation** and ensuring lasting peace; and **inadequate civic engagement** resulting in the marginalization and apathy of the citizenry. These four key themes overlap and affect one another, often exacerbating the tensions between the population and the government (see below.)

### System Dynamic: Fractured State-Society Contract



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<sup>1</sup> Fragility can be measured by indicators that look at a state’s effectiveness and legitimacy. **Effectiveness** can be measured by indicators such as the quality of public service delivery, the infant mortality rate or the percentage of the population that is displaced, among many others. Effectiveness of the state tell us how well the government can provide the services expected of it. **Legitimacy** can be measured by indicators such as the nature of political participation, corruption, male/female literacy ratios, etc. Legitimacy tell us the extent to which the people feel that their interests are represented by the government.

One of the more prominent issues within the breakdown of the social contract is the Government of Mali's flawed implementation of decentralization. During every discussion, the government's ability to move resources, both financial and human, down to the *commune* level was cited as the most important task and the best way for the government to restore the trust as well as increase the confidence of the population. Furthermore, many interviewees cited that another failed attempt at implementing decentralization could significantly weaken Mali, with one interviewee stating that had decentralization been implemented properly, the 2012 crisis would have been mitigated.<sup>2</sup> As such, effective implementation of decentralization moving forward will be instrumental toward restoring the social contract.

### *Illegitimate and Ineffective Institutions*

As described above, current dynamics in Mali illustrate that there is a significant breakdown in the social contract between the population and the government. The Organization for Economic Cooperation and Development/Development Assistance Committee (OECD/DAC) discussion paper on "From Fragility to Resilience"<sup>3</sup> argues that the social contract is an interaction between five primary factors:

- Expectations of a society of its state;
- State capacity to provide services, including security and to generate revenues from the population to provide these services;
- Political will to divert state revenues and capacity to fulfill social expectations (this would include both at the national level and the local level);
- Political processes through which state and society negotiate competing demands; and
- Legitimacy, which shapes expectations.

The state has an enormous role to play in the delivery of both basic social services and also providing justice and security to its population. Responsive states supply services in line with particular and often generally understood social expectations. However, when a state is fragile, it often fails to provide core services such as health, education, economic opportunities and - at times - may not be seen by parts of the population as a legitimate provider of security and justice. Violence, endemic corruption, skewed budget allocations for particular ethnic or religious groups, and the exclusion of women, youth and minorities can further increase social insecurity and undermine the foundations of just and equitable service delivery processes.

In Mali, some of these dynamics are seen to be playing out where quality services are not being delivered, in particular to areas in the North where geographic conditions makes living extremely difficult, and there is a growing perception that the lack of delivery is not merely a capacity issue but that the state is not willing to deliver those services.

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<sup>2</sup> It is worth noting that pre-crisis, there were some cases where decentralization was enabling a few *communes* to receive resources - all of which dropped significantly after the crisis.

<sup>3</sup> OECD/DAC. Concepts and Dilemmas of State Building in Fragile Situations: From Fragility to Resilience. 2008 <http://www.oecd.org/dac/incaf/41100930.pdf>

There were four key factors that fed into the perception that institutions are both ineffective and illegitimate.



**Endemic Corruption, Nepotism and Impunity.** Throughout the course of the assessment, there was a constant theme around corruption and its manifestation both in formal and informal institutions. Many referred to it as a natural part of everyday life – that there is an expectation and understanding that money will change hands for almost every transaction. Impunity is the main anchor of corruption, which has been reinforced at the highest levels within the government; with an interview providing the anecdote that former President Amadou Toumani Toure (ATT) publically stated that the only recourse for being caught is repayment and that anyone found to be corrupt would not have to face trial, let alone jail.

An additional manifestation of corruption is the role nepotism plays in government. It was stated several times that political allegiances and nepotism overrides competencies and that many people are given government positions based on their political party affiliation or family connections rather than their capabilities and skills. Furthermore, within the government there are both political appointment positions and technocratic positions. Technical positions are meant to be based entirely on the individual's capabilities and serve as a constant between administrations. However, in many cases technical positions are filled with party or family members who lack the skills or expertise needed for the position. Furthermore, institutions are associated with who is in charge and who they hire, which influences its perceived credibility.

At the commune level, corruption is primarily associated with one issue – land. Due to the ambient impunity, elected political leaders are able to sell land to whomever they want, which often results in more than one person claiming ownership. Overall, the processes and laws governing land tenure are weak thereby causing the population to distrust the land title process.

Significant challenges in the justice sector include trust between constituents and judicial actors, lack of infrastructure, and absence of independence from the executive branch. Access to justice needs to be equitable and not based on willingness to pay a bribe. While there are multiple donors<sup>4</sup> supporting the Ministry of Justice, the sector writ large is not well resourced by the government with approximately 6% of the government budget supporting judicial institutions. This sends the signal that for the most part strengthening the justice sector is simply not a priority for the national government. While the justice sector is lacking it was noted that the auditor general is viewed positively. Further, a bilateral donor reported on a judge in Kayes that holds open office hours in order to allow citizens to meet and discuss potential cases, which was viewed very positively among the local population. Any positive trends are likely at the initiative of key individuals versus by the larger government entities.

**Lack of Political Will.** The willingness and accompanying action to implement laws and policies, primarily at the national level, is mixed in Mali. The lack of political will within institutions was noted around implementation of decentralization, justice and broader national policies. While the necessary laws are in place, little has been done to implement them. There seems to be some hope that President Ibrahim Boubacar Keita (IBK) and newly elected officials might show the willingness to do things differently this time around. There is also an opportunity for donors to evaluate their policies and actions towards the Government of Mali (should the new government show willingness).

**Lack of Transparency and Accountability.** CSOs, the private sector, the media and citizens are currently lacking a conducive/enabling environment to serve as watchdogs and report on government activities. Many of them lack the skills and capability; and those with the capacity to serve this role do not fulfill it for fear of retribution and/or because no action will be taken by government as follow up. There were a few anecdotal stories of exposure of corruption, but nothing is in place to routinely inform the citizens of the government's actions. The responsibility of the government to engage in an open dialogue with its citizens which includes as listening to their issues, priorities, and suggested solutions is absent and fuels the perception that there is no government accountability. Tax collection was cited as an example of the lack of accountability and transparency – citizens do not know how their taxes are spent and there are anecdotal stories of taxes being collected by a traditional leader due to the fact there is trust so long as the traditional leader was part of the tax collection process.

**Insecurity in Timbuktu, Kidal and Gao.** Given the large land mass and the porous borders, it has been difficult for the Government to maintain stability and security in the northern three regions of Timbuktu, Gao and Kidal. This is the one area where French intervention was positively perceived. There are multiple actors that contribute to either the stability or instability of the North.

Specifically, to overcome the challenge of Kidal not being perceived (by both those in Kidal and those in greater Mali) as connected to Mali, it was suggested that there be increased

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<sup>4</sup> Six in total.

interaction through transport lines, commerce to connect Kidal with Bamako (presently, there is greater connection between Kidal and Algeria and Niger versus Kidal and Bamako). Furthermore, Kidal used to be a *circle* of Gao, but strived for a more equitable share of resources. As part of the peace negotiations in the 1990s, Kidal was made its own region and ex-combatants were made part of the civil service. Outside of Kidal, it is perceived as a mistake to have done this as it reinforced the lack of impunity since those who took up arms were greatly rewarded through jobs and resources.

The weak implementation of the different peace agreements and master development plan by the state government fueled the grievance of northerners to resume war. Furthermore it is perceived that the heavy ethnic dynamics amongst Tuaregs resulted in permanent tensions in the region which resulted in the fracturing of rebel groups and contestation over leadership in region.

To further exacerbate the lack of security in the North, criminal networks run highly functional informal illicit economies crossing over the Algeria, Mauritania and Niger borders. While certainly not a positive aspect, this illicit economy has allowed some pockets in the north to cope in the face of high rates of unemployment and the lack of livelihood opportunities that exist. However, the unpredictable and continuously shifting nature of these networks tends to increase the fragility of the north and have also been a source of violence. These illicit structures combined with the insecurity and lack of police presence will continue to make this area highly conflict prone.

### ***Weak Capacity Across All Sectors***

In almost every single meeting there was a discussion about the lack of capacity that exists at all levels across all sectors. The lack of capacity includes government officials both at the national and local level, the media, CSOs, as well as the private sector.



**Government officials lack capacity across all levels.** At the national level significant deficits in capacity exist, most notably in the knowledge, skill-level, and abilities which in turn affect the ability of individuals to effectively administer their duties associated with the job they are encumbering; this is true of both elected officials and civil servants. This is due to a number of factors: 1) political will (or lack thereof) of officials to do administer their duties; 2) nepotism and corruption that has become so intertwined with political appointments (see previous key dynamic) and 3) the lack of transparency as to what the role of the government official is and what their responsibilities are based on their job.

**Financial and human resources concentrated in Bamako.** In order to make implementation of decentralization effective and sustainable, there needs to be an emphasis on devolving both human and financial resources and capital to the regional and commune level. Currently this is not happening and the majority of resources and personnel are based in Bamako.

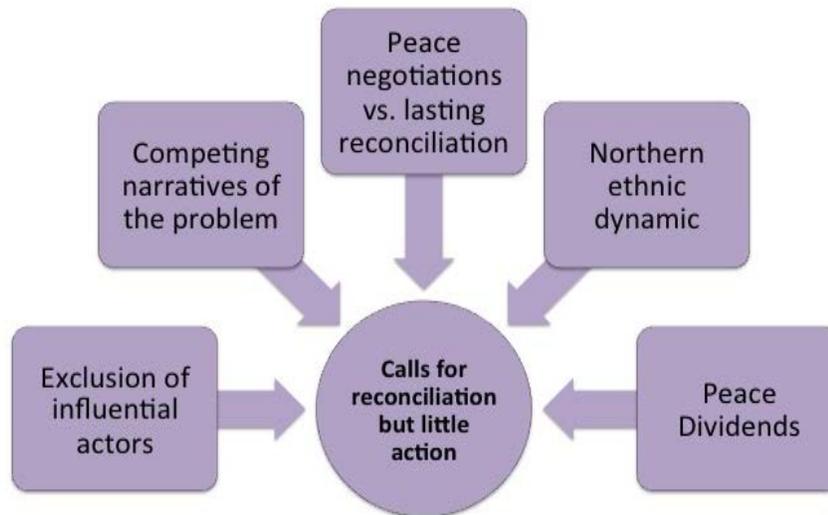
**Civil Society Organizations (CSOs), media and private sector are not serving as watchdogs.** Different sources all cited the need for civil society organizations (CSOs) to be more actively involved in providing the public with information on judicial proceedings. CSOs, media and private sector are recognized as a key to ensuring democratic governance is upheld. However, these entities are not fulfilling their important role as watchdogs and holding the government to account; nor are they serving as advocates and pushing the government to fulfill their mandate. The media doesn't have adequate training to factually report and not promote inflammatory reporting. In moving forward it would be important to assess what the real capacity issues are with CSOs and where the best investments would be – for instance is it an issue of lack of knowledge, skills and abilities, or is it more about the concern of retaliatory attacks or simply discouragement and disengagement because of the ambient impunity and lack of transparency.

**Mutual accountability between the institutions and donors.** To date, donors have funded a lot of capacity building activities yet, throughout the course of the assessment, the need to do capacity building was repeatedly brought up as an area that would benefit from assistance. This lead the team to question “How much capacity building is needed, and to what end?” There is a role for donors play in nuancing what type of capacity building assistance they provide by fully assessing where the greatest needs are, and then ensuring that the skills and expertise that is transferred is utilized and built upon. Going forward donors should work closely with the Government of Mali to jointly identify the real gaps in capacity and where the greatest needs are. Donors then need to hold themselves accountable as well as holding the Government of Mali and other institutions accountable to ensure that those who benefit from capacity building assistance are provided the opportunity to draw upon and use those newly acquired skills.

### *Challenges to Reconciliation*

Throughout the course of the assessment, reconciliation consistently came up as an issue that is currently lacking and warrants significant attention. Several people interviewed noted that in order for there to be reconciliation, key social and political divisions need to

be addressed. Reconciliation should be built on effective service delivery, peaceful solution of community grievances, transparent implementation of decentralization, and rebuilding the trust with the government by reducing corruption and respecting the rule of law.



**Exclusion of influential actors.** Women's groups, traditional and religious leaders, CSOs, and insurgent groups in the North all have an important role to play in the reconciliation process. However, the official reconciliation process has yet to include those key actors. Instead, it has been a closed door process with little engagement or involvement of those who would be most affected by any resulting agreement. This lack of inclusion has not only resulted in numerous breaches in the peace agreements but the emergence of spoilers who serve to undermine the process. When the team discussed what role these key influential actors may be best positioned to play in reconciliation, interviewees noted that they are already very active at the local level, specifically with regard to being engaged in grassroots dispute resolution and reconciliation processes. Instead, they noted that the deficits and lack of inclusion is largely at the national level. Given the amount of influence and trust the population has in the traditional and religious leaders (in contrast to government officials who are presently the ones leading the reconciliation process) there is a need to more deliberately involve them in the national reconciliation process which in turn may produce greater buy-in and trust.

**Competing narratives of the conflict.** In just about every interview the issue of reconciliation surfaced but with differing viewpoints about the current approach, what is needed and where the focus on reconciliation should be. Some said that reconciliation is needed on a national basis noting that grievances are held by both those in the northern regions as well as those in the southern regions while others said that reconciliation was only needed in the North between populations there. Some said all of the North needs to engage in reconciliation, and others specifically pointed out tribal reconciliation in Kidal as being the lynch pin – specifically implying that if Kidal is peaceful, then the greater North will be peaceful. Over the course of the assessment it became clear that the difference in opinion as to how to tackle the thorny issue of reconciliation is informed by how one views

conflict in Mali. Some saw multiple conflicts within regions (the North for instance) while others see a broader national crisis involving both the North and the South which requires a more national inclusive approach.

**Peace negotiation versus lasting reconciliation.** With regard to responding to the conflict, to date, the government of Mali's focus has primarily been on the formal peace process with very little focus on approaches to reconciliation. Initiatives to support the peace process have almost exclusively taken place at national level process with very little connection to and inclusion of those at the local/grassroots level. This has only exacerbated grievances as any attempt to respond to the concerns of those at the local level have been ignored. Furthermore, little attempt has been made to link the reconciliation to the broader peace process.

**Northern Ethnic Dynamic.** As noted above, a reoccurring theme throughout the assessment was that Kidal is key to successful reconciliation – the team heard from several of the interviewees about the northern ethnic dynamic but there was a difference of opinion as to what exactly is driving conflict between the different groups and the roles the different ethnic groups have had in perpetuating and/or exacerbating conflict dynamics. This has been an impediment to reconciliation and is something that needs to be addressed through any process. Unfortunately, every attempt at lasting reconciliation over the past twenty years has been hampered by politics, and for the most recent attempts, insecurity and access to the North is exacerbating the situation.

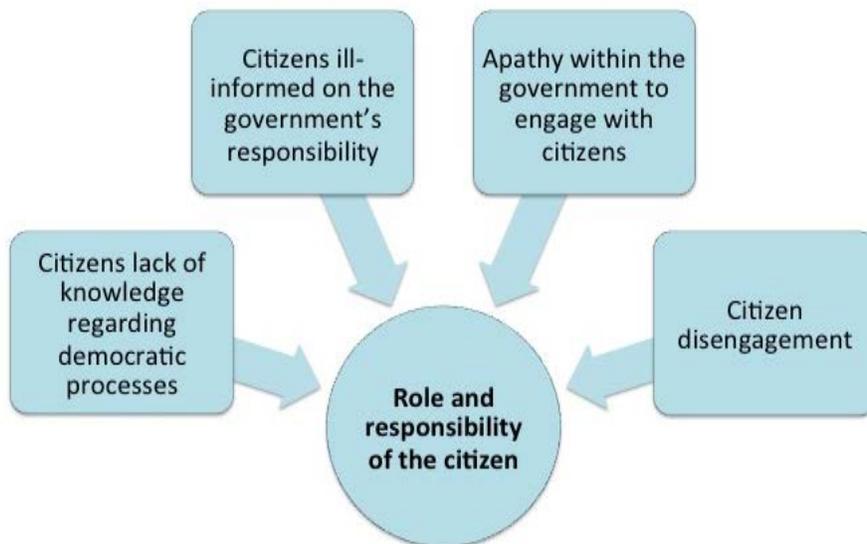
**Service delivery as a peace dividend.** Several interviewees discussed the important role service delivery will play in supporting reconciliation, particularly in the North. To date, many of the grievances held by those in the North are formed around feeling marginalized and that the government does not care about them as reflected in the lack of service delivery. While the Government has often framed this as an issue of security and difficulty in access, this argument rings hollow to those who have remained in the north and do not have the financial or resource capacity to be able to move to regions where there is greater service delivery. During the crises, those infrastructures that had been delivered such as health centers and schools have either been destroyed and/or taken over. Therefore any peacebuilding or stabilization program should consider rehabilitation and/or doing construction. This will provide both a state presence but also improve living conditions in the north.

### *Civic Engagement and Citizen Responsibility*

When citizen participation programs are implemented effectively, more citizens are brought into the decision-making process, making government more responsive and effective. Having strong feedback systems between the government and the citizenry is sorely needed and ideally, when it comes to interacting with government, citizens should be empowered to engage the government.

There is a lack in understanding among Malian citizens that citizen-government engagement comes with certain responsibilities – by both parties. Having robust citizen

engagement is more than just understanding how elections function and the right to vote. It is also what you are responsible for as a citizen, including paying taxes, adhering to the rule of law and holding the government accountable. The flip side is that citizens should be able to retrieve data on resources allocated and/ or spent, obtain official documents and forms (birth certificates being cited often) and have general and equal access to information and public services without paying a bribe.



**Citizens lack of knowledge regarding democratic processes.** Many people interviewed raised the need for increased civic education - specifically, informing citizens as to what laws exist, what the constitution says, and the role of the citizen in a democracy. Little efforts are underway to enhance and promote civic education – for instance, while there were efforts underway in advance of the election to disseminate information, very few if any forums have been held to increase the general knowledge of the population on civic responsibility and role of the government. At present, civic education is not part of the school curriculum. Several interviewees noted that key laws and regulations regarding decentralization, as well as other important documentation such as the constitution which needs to be translated into local languages and disseminated by various means in order to reach the broadest audience possible. At the local level, CSOs, media, and local elected officials can play a role in disseminating this information to those not in the school systems in addition to routinely holding town hall meetings and other forums to engage the population in discussions as to what the government is doing and what the population sees as priorities.

**Citizens ill-informed on the government’s roles and responsibilities and apathy within the government to engage.** To repair the fractured social contract, both parties have obligations. The onus is not only on the government to engage with its citizens but there is an obligation of the citizen to engage with and be accountable to its government. The aim of government-citizen engagement should be to ensure that citizens: receive correct and clear information about their rights, responsibilities and opportunities; have access to information about the Government’s activities; are invited to participate in the

formulation of policies, determining where resources should be allocated and what services needed to be delivered. Outside of the provision of security and territorial integrity, the primary obligation of the government should be to provide these things, which is inconsistent across all levels of the Malian government. At present both sides are apathetic and not engaging the other – feeding into the issue of the fractured social contract.

**Citizen disengagement.** Unfortunately, apathy is not just present within the government. The more the government is disengaged, the more the citizenry becomes as well. It is a vicious cycle that can be difficult to break. Citizens either totally disengage, as in the case of refusing to pay taxes or they find alternate solutions which often is the going to traditional or religious leaders for assistance as they are the most trusted official (ex: they serve as the tax collector or the median for dispute resolution as opposed to the appropriate government official). For citizen engagement to really function there must be incentives for both citizens and the government but how to incentivize participation on both sides is a difficult issue in Mali.

## Cross Cutting Dynamics

As expected in a country facing a multitude of challenges, there were a number of cross-cutting dynamics that emerged over the course of the assessment. These dynamics affect – and are affected by – the four key themes. It is worth noting that while not a key theme, endemic poverty is the basis for Mali’s chronic development challenges and exacerbates the themes discussed below. Mali was ranked 175 on the UN Human Development Index before the crisis and is currently ranked 182 as conditions heavily deteriorated in 2012. In the North, the poverty rate is approximately 44 percent, including the refugees and is cited as a cause for terrorist groups increased ability to recruit unemployed youth.

In addition to the food crisis that began in 2011, the March 22, 2012 coup d’état marked the beginning of a serious political crisis, with armed groups occupying the three northern regions which comprise two-thirds of the national territory. An African and French military intervention was carried out against these groups in January 2013. Consequently, the economy largely ground to a halt in 2012, and international assistance to Mali was largely suspended.

The food, security and political crises have all exacerbated poverty. A serious humanitarian crisis began in January 2012, with 237,000 displaced persons, 410,000 refugees and at least 4.6 million Malians at risk of food insecurity. The government honored its spending commitments on education, health and social protection, which made up 33.45% of total expenditure. Social indicators have improved in recent years, but progress towards achieving the Millennium Development Goals (MDGs) by 2015 remains mixed. A key hurdle to achieving these goals has been the challenges the government has faced in delivering services to the populations in north due to the Islamist groups who pillaged healthcare

centers, pharmacies and schools resulting in significant stagnation in the growth of that populations.<sup>5</sup>

### *Pervasive insecurity and illicit trafficking endemic in the North*

Geography plays an important part in the insecurity in Northern Mali. Situated in a difficult neighborhood, Mali shares borders with Algeria, Niger, and Mauritania and its porous borders has contributed to the increase of illicit trafficking across the Sahara as well as serving as a safe haven for terrorist and other armed groups. Specifically, the north has served as a base of operations for Al-Qaeda in the Islamic Maghreb (AQIM) for at least a decade and was the center of the April 2012 crisis. Due to the sparse population and difficult terrain, the North has also been chronically under developed with limited road infrastructure and limited basic services provided to the nomadic tribes. Currently, the North is heavily militarized– both by armed militia groups but also with the army, the gendarme, the police, the French and MINUSMA all present. The Sahelian trade in arms, cigarettes and drugs, which saw an uptick in the 1990s, continues to flourish, with hashish coming from Morocco, as well as cocaine being trafficked across the Sahara.

For trafficking of persons, Mali has been designated as a Tier 2 Watch List country by the Department of State.<sup>6</sup> Mali is a source, transit, and destination country for men, women, and children subjected to forced labor and sex trafficking. Within Mali, women and girls are forced into domestic servitude as well as subjected to sex trafficking. Malian boys are also subjected to forced labor; adult men (usually Songhai) are subjected to the practice of debt bondage in the mines in northern Mali. During the 2012 crisis, NGOs reported that the armed groups conducted large scale recruitment of children to be used as combatants. While the majority of children associated with armed groups are boys, reports indicate that girls may also have been recruited to be later forced to serve as sex slaves. In areas occupied by armed groups, women and girls were subjected to forced marriage by members of armed groups and were often later raped by other combatants.

### *Importance of Implementing Decentralization: The Role of Local and Non-governmental Institutions*

For countries that border other countries currently embroiled in armed conflict, the risks of future instability and armed conflict at home are heightened due to the contagion and spillover effects of armed violence. Many countries of the Sahel exhibit at least pockets of fragility and violence where the state is unable to provide basic social services, police borders, address illicit trafficking and criminality or otherwise uphold the rule of law.

Mali has avoided becoming a failed state because although it exhibits the characteristics of being high unstable, there still exists some informal institutional structures that have legitimacy in the eyes of the population and have been effective at providing basic goods

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<sup>5</sup> [www.africaneconomicoutlook.org](http://www.africaneconomicoutlook.org)

<sup>6</sup> U.S. Department of State 2013 Trafficking in Persons Report  
<http://www.state.gov/j/tip/rls/tiprpt/countries/2013/215513.htm>

and services to communities at the local level. These informal structures have allowed for the population to cope with and manage stresses and shocks, including the drought and the political shock of the 2012 coup. Unfortunately, these local institutions and clan structures lack the needed support or recognition of their influence at the regional and national level and as a result are only marginally effective at maintaining stability.

The local government has the legitimate and legal role to carry out the local development plan. It, therefore, has a role to play in collecting public concerns and public funds to levy the critical challenges at the local level.

Across the board it was agreed that decentralization will only succeed if non-governmental actors who are trusted by the population are included in the process. The role of civil society organizations, the private sector, local government as well as traditional structures (tribal and religious leaders) all have an important part to play in both the actual implementation process but also, equally important, ensuring the population knows that the decentralization is being realized. The local government will then have effective partners in local governance and development. The partnership/collaboration will be based on transparency basically.

### *Increase in religious activism*

The rise in religious activism is seen as both a positive and a negative dynamic. The religious community is becoming more politically active and has formed associations as a way to influence the government. Up until now, the Islamic groups have felt abandoned and not represented within the government. In the north there has been a significant rise in the Salafist movement. However, with this rise in jihadism, there has been increased engagement and calls for counter peace messages by religious leaders in the South who are serving as a counterbalance. The inclusion of the religious groups can be a positive step but there is concern that the movement can become politicized.

It was noted that there is a growing worry over the increased potential for Muslim versus Muslim conflict over leadership and religious ideology. One religious leader noted that the most dangerous and catastrophic thing that could happen in Mali is if Muslims started fighting one another. If Muslims are not unified, this could have a ripple effect across the country – as well as potentially fracturing the broader region.

Overall, the network of religious actors is very strong and needs to be brought more deliberately into the fold of governance given the incredible trust and sway they have with the population. These groups have a role to play in reconciliation and curbing the increase in jihadism in the North. Several women's religious groups have been working with internally displaced persons as well as refugees on peace messaging so that when they are able to return to their home communities, they are able to take these messages with them. They have also spent considerable time supporting women's participation in the political process and educating women on their role as articulated in the Quran.

### *Humanitarian Situation*

According to a November 2013 report from UN Office for the Coordination of Humanitarian Affairs (OCHA), the humanitarian crisis in northern Mali is far from over. Food insecurity is on the rise with malnutrition reaching emergency levels in three regions (including Gao). Banditry is preventing herders from accessing grazing land, and insecurity is barring some aid agencies from accessing remote populations. There are concerns that as Internal Displaced Persons (IDPs) continue to return in 2014, the number of people facing hunger could reach 1.3 million among which 995,000 are under five years old in Mali according to OCHA report of November 2013.

Markets surveys carried out recently by organizations operating<sup>7</sup> in these regions show that prices for some basic food items have spiraled since January 2013 (increasing anywhere from 25-36%). Specifically, in Kidal, where 94% of households buy food from local markets, a majority of the traders that supply the markets no longer do so; markets in Timbuktu and Goundam are similarly impacted.

The Government of Mali's ability to provide basic services to IDPs and refugees continues to be very limited, though there have been some improvements to state provided services such as restoration of electricity and water systems in Gao and Timbuktu. Civil servants were given cash incentives of to return to the north, but many did not, leaving regional government offices in Gao and Timbuktu only partly operational. Many hospitals, schools and basic social services are still not fully functioning, leaving the population to rely on the assistance of aid agencies.

## **Bright Spots**

In addition to looking at the deficits in governance and conflict dynamics that impact Mali's fragility, the team also looked at those issues that had a positive impact on mitigating violence and future instability.

### *Traditional Systems and Informal Institutions*

Mali has a rich history of using traditional systems – both the people and the informal systems - as a way to address problems, resolve disputes and identify local needs. However, utilizing the expertise that comes within these systems has been a noted weakness in the Government of Mali's approach to decentralization, conflict mitigation, resolution, and reconciliation. These informal structures have been noted as the one area that was not impacted by the crisis and in many ways still serve as the foundation of the state. Actors within the informal system are credible entities and have the most trusted relationship within the local populations. They are consulted by the populations and they have sway over the communities they reside in.

The need to move the funds down to the *commune* level, while simultaneously building the capacity of the local elected officials, involving the traditional structures as well as the communities in decision making is perceived to be the key to successful decentralization as

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<sup>7</sup> <http://www.oxfam.org/en/pressroom/pressrelease/2013-04-25/northern-mali-communities-affected-food-crisis>

well as an important part of reconciliation. Several civil society actors noted the need to reconstruct and robustly support the traditional structure and specifically for communities in the North, revising the traditional systems used in conflict mediation and resolution. An interesting aspect of the intersection between the formal and informal structures is that in the judicial sector. There were several anecdotal examples where formal institutions, such as the police, often advise citizens to bring their use to the tribal or religious leader as the first step in conflict mediation and ultimately resolution.

Overall, these structures are overwhelmingly considered a bright spot and are a potential leverage point for a successful reconciliation process. Further empowering the traditional and religious leaders are essential to maintaining stability at the grassroots level. They are instrumental in brokering the social and family connections which serve as the backbone of the Northern region. Without an effective state presence, which was weak before the crisis and almost nonexistent during and after, these networks provide security and reciprocity in an instable environment. These structures are why donors, including the United Kingdom, do not consider the region an “ungoverned space”, but that is governed, just not in the conventional sense.<sup>8</sup>The only caution is the need to keep the religious and tribal leaders from becoming involved in politics. If they are seen as a political entity they will not maintain their status as an honest broker.

### *Trust in the Democratic Process*

While several major destabilizing trends exist in Mali, the recent peaceful presidential elections, where voter turnout was high, and legislative election demonstrated that there is clearly trust in the democratic process; however, Malian democracy is nascent. Respondents noted the structures are in place to support democratic process in spite of governance, corruption, and accountability issues, but greater work needs to be done to support the foundation in order to promote *trust* in the governing institutions. While people do trust in certain institutions (for example the gendarme), people do align their opinion of the institution with who leads it.

One of the promises that IBK made during his presidential campaign was that he would depart from the traditional consensus style of governance and open the political space in order to facilitate the emergence of opposition parties. However, the historical track record of the consensus style of governance in Mali can be characterized as a system that facilitated corruption, allowed the stifling of opposition, and left little room for political dialogue. This easily allowed the central government to gain broad acceptance of its policies and practices by the Malian population, even when those policies were not transparent, accountable, fair or legitimate. Therefore, breaking away from this past and following through on the promise of promoting a real opposition in the political process may a difficult promise for IBK to keep. As Mali continues to strengthen its recent

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<sup>8</sup> UK Foreign & Commonwealth Office. *Traffickers and Terrorists: drugs and violent jihad in Mali and the wider Sahel*. October 2013.  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/256619/Oct\\_2013\\_Traffickers\\_and\\_Terrorists.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/256619/Oct_2013_Traffickers_and_Terrorists.pdf)

democratic gains and move past its recent political instability, the consensus way of governing and the need for opposition will most likely be at odds with each other.

Furthermore the foundations of governance on paper are strong. There is no need to bolster the laws that exist as they are sound and function effectively. Instead where the breakdown happens is in the lack of implementation of those laws. However, for all its faults, citizens of Mali still believe in the democratic process as evidenced by their overwhelming participation in both the presidential and the legislative elections.

There were particular positive examples highlighted over the course of the assessment – specifically within the justice sector. While there is certainly a backlog in cases and corruption is rampant in the justice sector, several people noted that the auditor general was credible and capable - an exemplary public figure that the people trusted.

### *Communes as a source of stability*

A common question over the course of the assessment was what kept things together when the crisis hit. Many people over the course of the assessment said, the commune served as a source of stability during the crisis. While the coup paralyzed the national level, the commune was able to keep things functioning at a very basic and minimalist level. Furthermore, the political figures at the commune level had the relationships with the religious and traditional leaders who are trusted and perceived as credible in the eyes of the population.

### *Return of Refugees and IDPs*

In spite of the humanitarian situation outlined by the UN, there is a slow return of IDPs and refugees which can be seen as a bright spot, indicating that the environment is somewhat stabilized in the north and that the returnees see potential opportunities for them once they return home. There is an overarching concern that, if not done well, reintroducing returnees into the social and economic structures could potentially devolve into a driver of further conflict. Returnees, who are provided stipends, will be in a position to compete for jobs, services and housing perhaps inadvertently disenfranchising those who stayed. It is important to note that those that chose to stay comprise a mix of those who wanted to stay and those that did not have the resources to leave. There were anecdotal stories of those who stayed capitalizing on abandoned housing and shops which were owned by those who fled. Unclear ownership of these assets could potentially serve as a hotspot as people return to their home regions. Further analysis of these dynamics would be warranted before designing programs that support and/or facilitate refugee return to ensure our investments do not inadvertently cause harm or result in the development of grievances.

## **Gaps in Knowledge Requiring Further Analysis**

Throughout the course of the assessment several issues emerged that warrant a deeper analysis in order to inform the Mission's CDCS and the design of future programs.

***Dynamics of the Security Sector.*** While many noted that the police and security services were lacking, the team noted that for the most part people believed and trusted the gendarme. By in large they were viewed positively over other security forces. While the team was conducting the systems thinking analysis, another larger team was on the ground conducting a security sector assessment. It is recommended to cross-walk those findings with this assessment with regard to the perception of the gendarme and where the security sector could be strengthened.

***Better understanding of ethnic dynamics in the North.*** A more nuanced understanding of what is fueling the conflict in the North is needed, in particular, what dynamics exist between and within the differing ethnic groups in Kidal. Specifically, how do the different ethnic groups interact and what is their perception of one another? Furthermore, how are the different ethnic groups are organized? There is a need for greater understanding of how the Northern tribes and ethnic groups relate to the traditional structures as well as the broader formal governing structure. This is especially important to understand given each armed grouped has a different ethnic group in majority. For example, in their majority, the Azawad National Movement for Liberation (MNL) and Ansardine are associated with the Tuareg, the Arab Movement of Azawad (MAA) are associated with the Arab, the Gandakoy with the Sonrai, and the Ganda Iso with the Peulh. Having a deeper understanding of the ideology and political agenda held by each group and how that agenda/ideology is influenced and/or informed by the ethnicity is advised as that leads into the overarching conflict dynamics taking place in the country.

***The drivers of conflict.*** In addition to what was articulated above, there needs to be further analysis on the drivers on conflict vis-à-vis the perception of the conflict by different groups in different regions. It was clear that there is not a single conflict at play, but much more localized issues driving overall instability in Mali. As was noted previously different narratives emerged throughout the assessment as to what caused the conflict so having a greater understanding of the drivers of conflict, where violent conflict is emerging and any trends would be important, especially prior to launching any future programing in the north

***Traditional Structures.*** While a bright spot, there is a lot to learn in how to capitalize on the trust of the informal systems. The traditional/religious leaders seem to be well integrated into decision making at the local level (village, fraction), but there is a deficit at the communal, regional and national level. Not one interviewee could confirm that the informal leaders are involved in decision making process at the national level. While there is a need to incorporate these trusted actors in the national process, it must be done carefully. There is the potential for the actors to become politicized, which would diminish the trust from the citizens.

***Citizen-Government Engagement.*** As noted earlier, for citizen-to-government engagement to really work, there must be strong feedback loops put in place which will provide a structure for a two way dialogue. However, there are no incentives in place that reinforce positive behaviors for both citizens and the government to participate in the decision

making process. There is a lack in understanding on what sort of incentives can be offered on both sides that does not reinforce bad/illegal behaviors (bribery and corruption being a primary concern).

## **Recommendations and Follow-on Assessments**

In the Office of Conflict Management and Mitigation's 2013 Alert Lists which assesses the fragility and risk for instability in a country, Mali ranked 39<sup>th</sup> in the fragility list. This high ranking was largely due to its being highly ineffective and having a very poor socio-economic development. To provide context, Mali's effectiveness score is aligned with countries including Somalia, Nigeria, Sudan, Haiti and Cote d'Ivoire. Furthermore, Mali's risk for future instability is exceedingly high – in fact it ranks in the top ten along with Democratic Republic of the Congo, Somalia, Niger, Burundi and Guinea-Bissau. This high ranking is due to Mali exhibiting characteristics of a partial democracy, poor socio-economic development, limited economic openness and existing in a region where conflict has spilled over the borders into Mali.

Given Mali's high rankings for both fragility and instability, in combination with the findings of the systems thinking assessment, the team recommends that USAID/Mali do a Democracy and Governance assessment (DG Assessment). While a conflict assessment would be also highly recommended, at this point it would be important to have access to the North in order to better unpack the ethnic dynamics but given the security parameters, it is not recommended at this time. Once the restrictions are lifted, the team would recommend that a conflict assessment be done.

In many of our interviews it was noted that any future programs need to work simultaneously at the national and local level to ensure they are mutually reinforcing and aligned. If programming is done only at one level, there is the potential for there not to be buy-in (at the local level) or to be "undone" at the national level through legislation. This would be an important aspect to look at in any assessment and how programming might be done that allows for there to be a focus on the national and local level issues of governance.

## **Conclusion**

Moving forward the key to reversing the current trends in Mali is restoring what is now a fractured social contract between the Government of Mali and the Malian citizens which presently undermines all aspects of governance. However, in spite of the many challenges facing Mali, there are several bright spots that could potentially be bolstered through additional programming in the democracy and governance sector. Specifically, the potential to build upon the grassroots work being done by the traditional institutions as well as the trust the population has in the concept of democracy is ripe for exploration through additional analysis of both the democracy and governance sector and the conflict sector.