

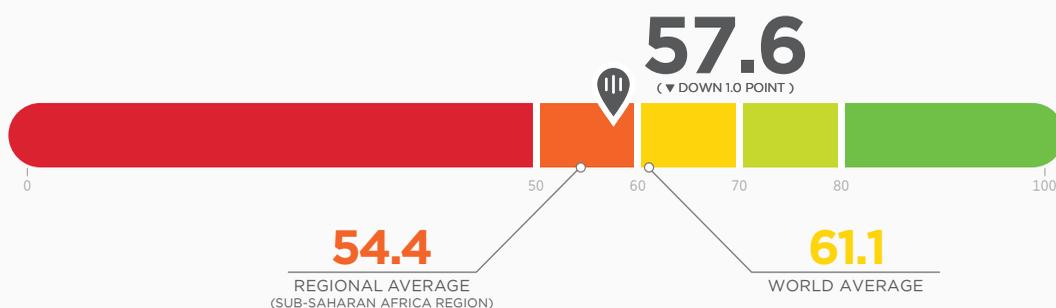
# MALI

**M**ali's economic freedom score is 57.6, making its economy the 113th freest in the 2018 *Index*. Its overall score has decreased by 1.0 point, pulled down by lower scores for nine of the 12 economic freedom indicators, including all indicators related to the rule of law and government size. Mali is ranked 14th among 47 countries in the Sub-Saharan Africa region, and its overall score is above the regional average but below the world average.

Landlocked Mali's economy is mostly confined to the area irrigated by the Niger River, but the government is encouraging diversification. Tax administration has been improved, and the cotton markets are moving toward privatization. Restrained public spending and stable monetary policy have stimulated a growing entrepreneurial sector. More efforts are needed to address endemic corruption and poor infrastructure. Rigid labor regulations hurt job growth, and the underdeveloped financial sector limits access to finance, hampering investment.



## ECONOMIC FREEDOM SCORE



**NOTABLE SUCCESSES:**  
Monetary Stability

**CONCERNS:**  
Rule of Law, Financial Freedom, and Labor Freedom

**OVERALL SCORE CHANGE SINCE 2014:**  
+2.1

## FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
16.8 million

**GDP (PPP):**  
\$38.1 billion  
5.4% growth in 2016  
5-year compound annual growth 4.0%  
\$2,266 per capita

**UNEMPLOYMENT:**  
8.1%

**INFLATION (CPI):**  
-1.8%

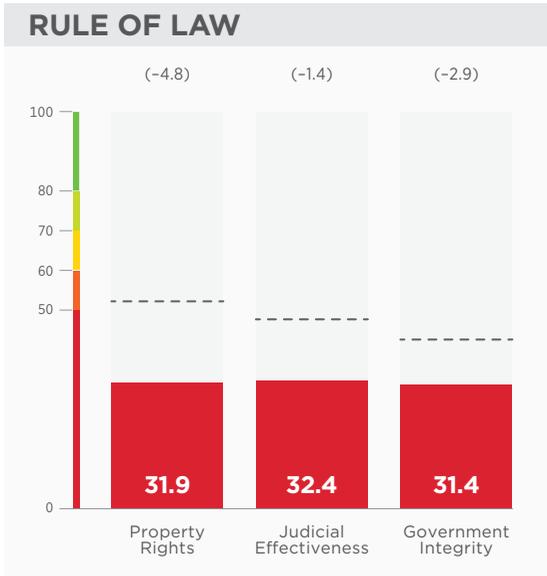
**FDI INFLOW:**  
\$125.5 million

**PUBLIC DEBT:**  
30.5% of GDP

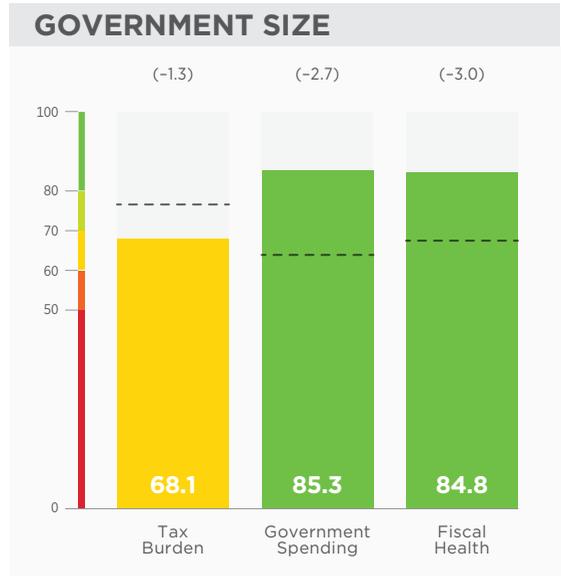
*2016 data unless otherwise noted. Data compiled as of September 2017*

**BACKGROUND:** After decades of French colonial rule and a brief federation with Senegal, the Republic of Mali was established in 1960. Following a 2012 military coup, Tuareg separatists and militants linked to al-Qaeda took control of northern Mali and declared independence. After military intervention by France, Ibrahim Boubacar Keita won a five-year term as president in 2013. In 2015, the government signed a peace accord with an alliance of Tuareg separatist groups, but separatist clashes with pro-government militias soon resumed. French troops remain in Mali along with a U.N. peacekeeping operation that has suffered the highest number of casualties in U.N. history. Mali is one of the world's 25 poorest countries and depends on gold mining and agricultural exports.

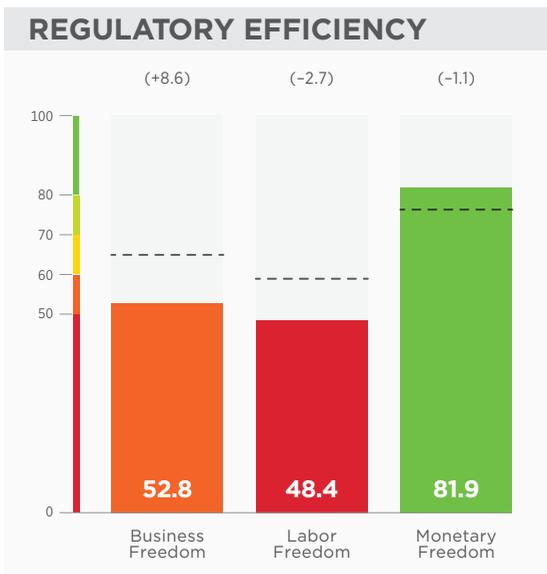
# 12 ECONOMIC FREEDOMS | MALI



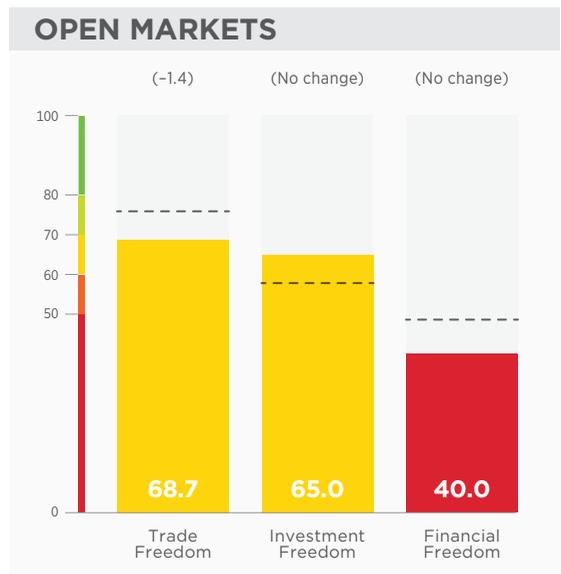
Property rights are not always adequately protected in practice, despite significant donor aid aimed at improving them. The judicial system is inefficient and prone to corruption. Bribery and influence peddling are widespread in the courts. Government corruption is widespread in all sectors, especially in public procurement and both public and private contracting, where demands for bribes are frequent.



The top individual income tax rate is 40 percent, and the top corporate tax rate is 35 percent. Other taxes include a value-added tax. The overall tax burden equals 19.0 percent of total domestic income. Over the past three years, government spending has amounted to 22.2 percent of total output (GDP), and budget deficits have averaged 2.9 percent of GDP. Public debt is equivalent to 30.5 percent of GDP.



In 2016, Mali made starting a business less expensive by reducing the paid-in minimum capital requirement. It also improved bankruptcy procedures. Enforcement of the labor code is rather arbitrary. Child labor and human trafficking continue to be serious problems. The government has eliminated fuel subsidies through market pricing and has increased electricity tariffs, but it still subsidizes agriculture.



Trade is moderately important to Mali's economy; the combined value of exports and imports equals 47 percent of GDP. The average applied tariff rate is 10.6 percent. Nontariff barriers impede some trade. Government openness to foreign investment is above average. The financial sector remains underdeveloped, and banks cannot provide adequate financing for entrepreneurial activity. Much of the population relies on informal lending.