



Informal Governance and Corruption – Transcending the Principal Agent and Collective Action Paradigms Rwanda Country Report

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Acronyms

ACP	Assistant Commissioner of the Police
ANPR	Automated Number Plate Recognition
ARBF	Association Rwandaise du Bien-être familial
AUCAC	African Union Convention Against Corruption
CDR	Coalition pour la défense de la République
FGD	Focus Group Discussion
HGS	Home Grown Solutions
ICT	Information and Communications Technology
MDG	Millennium Development Goals (UN)
MDR PARMEHUTU	Mouvement démocratique républicain
Parmehutu	Parti du mouvement de l’émancipation hutu
MINALOC	Ministry of local gouvernement
MRND	Mouvement évolutionnaire National pour le développement
NEC	National Executive Committee
NFPO	National Forum of Political Parties
NPPA	National Public Prosecution authority
OAG	Office of the Auditor General
PAC	Public Accounts Committee [for Parliament]
PIASS	Protestant Institute of Arts and Social Sciences
PL	Parti Liberal
PSD	Parti Social Démocrate

RALC	Rwanda Academy of Language and Culture
RALGA	Rwandan Association of Local Government Authorities
REB	Rwanda Education Board
RGB	Rwanda Governance Board
RIG	Rwanda Investment Group
RNP	Rwanda National Police
RPA	Rwanda Patriotic Army
RPF	Rwanda Patriotic Front
RPPA	Rwanda Public Procurement Authority
RRA	Rwanda Revenue Authority
SACCO	Saving and Credit Cooperatives
TIR	Transparency International Authority
UNCAC	United Nations Convention Against Corruption
VUP	Vision Umurenge Programme

1 Introduction

1.1 Informal practices as drivers of corruption: Rationale and conceptual approach

The lack of effectiveness of conventional anti-corruption interventions has been convincingly documented (Mungiu-Pippidi 2011) and is reflected in the so-called implementation gap, whereby countries that have adopted the legal and organizational reforms associated with anti-corruption best practices continue to experience very high levels of corruption. This situation appears to be linked to a lack of empirical support for the assumption that corruption is a consequence of weaknesses arising in the context of a principal-agent model of accountability, which presumes the existence of “principled principals” capable of and willing to enforce the anti-corruption reforms. In response, scholars have sought to re-frame endemic corruption as indicative of an underlying collective action problem (Persson, Rothstein, and Teorell 2013; Mungiu-Pippidi 2013). A problem so far with this latter approach is that, while it can describe why in some contexts corruption has been extremely hard to eradicate, it has not delivered clear recommendations on how anti-corruption practitioners might do things differently.

We argue that bringing in the importance and impact of informal practices into the debate helps to overcome the limitations of the principal-agent and collective action approaches. Adopting an informality lens brings to the fore those motivations and patterns of behaviour that are rarely explicitly articulated or taken into account in formal policy making but are nonetheless widely known and observed by the insiders in any given context. Therefore, this line of research has potential towards delivering insights about previously unaccounted drivers of corruption that are useful for purposes of policy making.

This report is part of a research project funded by the Anti-Corruption Evidence (ACE) Programme of the UK’s Department for International Development (DfID) and the British Academy. The project has identified informal practices in selected countries in order to establish their general and specific features in comparative analysis; assess their impact based on the functions they perform in their respective economies and indicate the extent to which they underpin corruption and affect anticorruption policies. The comparative research design involves seven countries from two geopolitical groups East Africa and Post-Soviet countries as follows:

- East Africa: Kenya, Rwanda, Tanzania, and Uganda
- Post-Soviet countries: Georgia, Kazakhstan, Kyrgyzstan and Russia

The goal of the research is to produce evidence for the relevance of informality in support of the ‘localisation’ of anticorruption strategies. The rationale would be to conceive anti-corruption as a context-sensitive, inductive endeavour that is operationalised on the basis of observed practices and socially accepted behaviours. This would involve considering how key actors may be incentivised to adopt actions more conducive to better anti-corruption outcomes within the constraints (be them social, economic or political) that they are confronted with and taking into account their own interests and motivations. Innovative interventions would also aim to harness informality for better anti-corruption, working with practices, norms and values that are entrenched and pervasive in the respective societies to improve government accountability and promote the welfare of communities.

1.2 Conceptual approach and methods

The conceptual approach is grounded on the work of Baez-Camargo and Ledeneva (2017) and identifies three key patterns of informal governance – namely co-optation, control, and camouflage.

- Co-optation is associated with recruitment into groups or networks. Co-optation is often associated to corruption because it represents a mechanism to regulate access to rent seeking opportunities and typically involves an informal redistribution of public resources. Among political elites, it is often expressed in the form of strategic appointments of allies and potential opponents, who are thereby granted impunity in exploiting the power and resources associated to public office in exchange of mobilizing support and maintaining loyalty to the regime. Co-optation can also be “horizontal” when political and business elites enter mutually beneficial relationships, where financial support for political goals is rewarded with privileged access to public contracts, undue tax exemptions and other illicit opportunities for extracting rents.
- Control mechanisms are instrumental to manage clashes of competing interests and enforce discipline within networks. Examples of informal control mechanisms include the discretionary enforcement of anti-corruption legislation against dissidents and peer pressure through rules of loyalty and reciprocity that tie network members together by creating obligations and responsibilities vis-à-vis the group.
- Camouflage refers to the manner in which informal transactions take place behind an institutional façade of democracy and commitment to the rule of law. This often means that, in contexts with high prevalence of informal practices, formal rules are often manipulated, undercut, diverted, or exploited for the sake of informal interests.

The information upon which this report is based was collected through a review of the literature and media coverage of Rwandan governance and political development under the RPF, as well as focus group discussions with representatives of the Rwandan media and 28 in depth interviews with key national stakeholders. Interviewees included representatives from the three branches of government at the national level, officials from local government, officials from agencies and institutions dealing with the management and monitoring of public funds as well as those responsible for the implementation of socio-economic development programmes. Interviews were also undertaken with representatives of NGOs, local academic experts and scholars, and representatives of faith-based organisations. The interview data is quoted following a codification of the interviews ensuring anonymity of respondents.¹

1.3 Background to the Rwandan case

There are not many success stories in the fight against corruption in Sub Saharan Africa, a region that generally fares badly in international corruption indices. However, Rwanda is an exceptional case, consistently showing low rates of corruption (Booth and Golooba-Mutebi 2012a; Transparency International 2015; Sebudubudu, Khatib, and Bozzini 2017b).² This report aims to put Rwanda in a comparative perspective by delving into the role of informal practices in fuelling and containing corruption. Thus, the report seeks to address the question of whether and how informality and informal governance practices play a role in the macro-level processes that have underpinned the evolution of

¹ The authors are grateful to Dr Lucy Koechlin and Dr Frederick Golooba-Mutebi for comments provided to an earlier version of this report and to Dr Saba Kassa and Mr Cosimo Stahl for formatting and copy editing assistance.

² See also: The latest East African Bribery Index <https://tikenya.org/east-african-bribery-index/>; World Governance Index (interactive dataset, Country rating, Control of corruption under <http://info.worldbank.org/governance/wgi/#reports>; and TI CPI 2017 https://www.transparency.org/news/feature/corruption_perceptions_index_2017

Rwanda from a country ravaged by war and Genocide to one of the star development performers in Africa.

For Rwanda is indeed an exceptional performer in the region. During the 2005-11, annual economic growth was maintained at a robust 8% on average, the headcount poverty and extreme poverty ratios both fell by nearly 12%, taking a million people out of poverty, and income inequality declined significantly (UNDP 2014: 8). In fact, Rwanda was able to achieve even better results than proclaimed by its MDG target of 20% extreme poverty level by 2015 (UNDP 2014: 26). Undernutrition (of children under five) as well as mortality figures have consistently improved, even among the poorest 20%, and maternal mortality at child birth rates have dropped from 1,071 per 100,000 live births in 2000 to 210 in 2014/15 (National Institute of Statistics of Rwanda 2015).³ More recently, Rwanda's economy has ranked as the third best-performing among African nations, as measured by the World Economic Forum's annual Global Competitiveness Report.⁴

Underpinning these results, Rwanda appears to be following a new development path sustained by a governance model that differs in many ways from surrounding countries. The governance arrangements that have been established under the leadership of Paul Kagame and the Rwandan Patriotic Front (RPF) have been characterised by the ability to manage economic rents in a centralised way and subsequently deploying them with a long-term view, which is in line with the model of a patrimonial developmental state (Booth and Golooba-Mutebi 2012b, Kelsall 2013). According to this perspective, the Rwandan example would represent nothing less than an alternative governance model that emphasises development and in so doing gives high priority to ensuring positive anti-corruption outcomes. This assertion requires further exploration, especially regarding the governing mechanisms required for effective rent management.

The narrative on Rwanda is not without controversy especially when it comes to topics such as the nature of its political regime and accusations of human rights abuses. Another aspect often underscored by critics is that the influence of the ruling party is overwhelming both in politics and business, and that the regime operates under a curtain of secrecy whereby donor agencies express difficulty in understanding what is “happening behind the government's doors” (Bozzini 2014, 24). Some international organisations also point to weak performance in areas such as “voice and accountability”, “participation of the population”, “transparency” and “independence of media” protection of political and human rights and civil liberties.⁵ Defenders of the regime, in turn, counter such criticism arguing that Rwandans have chosen a unique path to accountability. This local approach includes conventional anti-corruption prescriptions along with other innovative - “made in Rwanda” - governance tools, which escape adequate recognition and valoration because they are not aligned with internationally-recommended common practices.

This report argues that the Rwandan case holds valuable lessons for development and anti-corruption practitioners that transcend a simple debate about the more or less authoritarian character of the regime. A key objective of this report is to shed light upon the underlying factors and drivers of the Rwandan success in fighting corruption and placing the analysis against the backdrop of broad,

³ For further socio-economic indicators highlighting these positive trends see the Human Development Report 2016. <http://hdr.undp.org/en/2016-report>

⁴ <https://www.weforum.org/agenda/2017/05/africa-most-prosperous-countries> [accessed 01 May 2018]

⁵ See <https://www.hrw.org/world-report/2018/country-chapters/rwanda> Rwanda also ranks comparatively low in Voice and Accountability in the World Bank's Worldwide Governance Indicators <http://info.worldbank.org/governance/wgi/#reports>

system-level processes that are plausibly associated with lower discretionary space and less opportunity for corrupt actions.

The present report thus aims to distil both specific as well as general insights from the Rwandan experience in controlling corruption that serve as valuable lessons for anti-corruption practitioners. In pursuit of that goal, the report discusses 1) the nature of the post-Genocide political settlement tracing back key processes and events that led to current status quo, 2) distinct features of the Rwandan political regime, 3) the type of public sector and indeed societal reforms implemented that have supported the development of a strong and effective developmental state; as well as 4) the nature of Rwanda's economic growth based on a strongly state-led process of developing a competitive business sector.

2 The Road Towards a Post-Genocide Political Settlement

2.1 Setting the foundations of a new regime: the rise of Paul Kagame

The military victory of the RPF that brought an end to the Genocide against the Tutsi (henceforth “the Genocide”) was followed by the convening of a national unity government that consisted of a mix of new and old faces. Many of the members of the new government had been high ranking civil servants under the previous regime, led by Juvénal Habyarimana, in which nepotism and corruption had been rampant. During the early years after the end of the violence, there were strong indications that practices involving abuse of public authority were being once again re-enacted; a number of high ranking members of the government coalition were accused of engaging in corruption and illegal accumulation of wealth, including extensive land grabs, at the disdain of the public. The extent to which illicit practices were prevalent and even condoned in the aftermath of the Genocide is reflected in the fact that looting was sarcastically called *kubohoza*, which translates as “liberating” in English (Kimonyo 2015). These trends fuelled a revolt among younger RPF ranks, who publicly denounced the situation as unethical and antithetical to the ideals of substantive change that they had fought for (Int.072017.h). The revolt triggered an internal reform of the RPF that changed the course of the reconstruction process significantly.

In June 1996, the National Executive Committee (NEC) of the RPF decided to engage in a process labelled critical self-examination, scrutinising the behaviour of its party members and the functioning of the party's top governance structures. Discussions led to the convening of a special consultative assembly held in February, 1998, which came to be known as Kicukiro I. This assembly paved the way to a process of leadership renewal including the election of a new NEC and Political Bureau. Kicukiro-I conveyed a strong message against abuse of authority within the RPF. Evidence for its credibility was provided by the fact that four out of seven commissioners of the NEC were not re-elected, although they were historical figures of the movement who had assumed ministerial positions. The process also led to the election of the Defence Minister, General Paul Kagame, as president of the party.

Ten months later, a second party gathering, called Kicukiro II, continued to emphasise concerns over misconduct within the party, and further propelled the internal depuration process of the party. According to one interviewee, Kagame purged between 60 to 70 percent of RPF cadres within the scope of these party consultations, many of whom were war heroes who had amassed vast tracts of

land in the eastern part of the country. This process of extreme cadre renewal, which has been characterised by Booth and Goloba Mutebi (2012b) as arising out of the disagreements among RPF elites over competing governance models, ultimately led to the rejection of former neo-patrimonial practices of prebendal co-optation as instruments to reward supporters and loyalists. It also resulted in the centralisation of power and authority around the person and charismatic figure of Paul Kagame, who became president of Rwanda in 2000 (Kimonyo 2015).

Ever since, the RPF-led government has consistently espoused a policy programme aimed at achieving “a veritable socioeconomic transformation of the country’ (Kimonyo 2015). Key elements of this policy programme originally arose out of the Urugwiro village discussions, which were consultations held among the RFP, other political parties that agreed to the terms of the political settlement, and representatives of different sectors of society. Ever since, central tenets adopted by President Kagame and the RPF for the future political and social development of Rwanda have been: a) an emphasis on promoting socio-economic development as the basis to cultivate reconciliation and consolidate political legitimacy, b) adherence to principles of power sharing and consensus decision-making among a plethora of other (non-RPF) actors but strictly excluding Hutu supremacists or any of those directly responsible for the Genocide (Golooba-Mutebi & Booth, 2013: 11) c) reference to traditional values for popular legitimation.

Before exploring these three areas in-depth, we need to turn to the figure of President Kagame, who personifies political power in Rwanda. The centralisation of power in the figure of the president is also present in neighbouring countries and is a feature of informal governance regimes associated with high levels of corruption (see Sambaiga et.al 2018 and Ismailbekova 2018, for a discussion of centralised executive power and informal governance in Kyrgyzstan and Tanzania). Thus, a key question that this report seeks to address is: what features are distinct to the Rwandan political regime that account for its success in fighting corruption?

2.2 The role of centralised, personalised power

The previous section provides a narrative of the manner in which Paul Kagame carved an uncontested prominence within the RPF, which is inextricably linked to the mainstream narratives that praise the post-Genocide success in improving governance and development outcomes. Indicative of this, is the case of the zero tolerance to corruption stance, which has been lauded in the press for making “President Paul Kagame’s country a shining star.”⁶

Paul Kagame grew up in exile with what Phillip Gourevich (2009) calls an experience of exclusion that led him to take up armed struggle and to viscerally reject ethnic considerations as having any role in public sphere. Many of the leaders in the RPF government after the Genocide were for the most part outsiders who, like Kagame, grew up in exile and who engaged in armed struggle under extremely precarious conditions. According to interviews, this experience is linked to the great importance given to austerity and frugality as well as a high level of intolerance towards any behaviour driven by greed. Several interviewees, both in the public sector as well as civil society, confirmed the prevalence of an ingrained belief that President Kagame and his family consistently observe the strict standards required by the RPF code and have at no point lost the necessary moral authority (Int.022017.d; Int.032017.i; Ints.072017.d,e,i,g&h). Indeed, the ethos that characterises the Rwandan regime as imbued by high adherence to the law, the primacy of the duty to the nation, visceral rejection to sectarianism, frugality in public administration and intolerance to underperformance appears in the

⁶ Baffour Ankomah New African Magazine 19 March 2013.

public imagination as an almost exact mirror of the personal characteristics of the leader. This link is clearly manifest in the fact that one of the regime's key performance monitoring schemes for top level public officials involves stating personal commitments which are incorporated into a contract and signed in the presence of the president (see section 4).

Similarly, when it comes to the fight against corruption a consistent theme emanating from the interviews is that in Rwanda there is political will to fight corruption, which is invariably perceived to be personified by President Kagame. Most interviewees were of the opinion that the distinctiveness of the Rwandan authorities, compared to their counterparts in the region, resides in their capacity to be free of political interference in their decision-making. Similarly, interviewees with high level decision-making authorities in key anti-corruption agencies pointed to the president's direct instructions to enforce a zero tolerance to corruption approach and to the high degree of independence they enjoy in exercising their mandates (Ints.072017 a, b, c, e & f). One research participant characterised the effect of president Kagame's leadership as "the opposite of the fish rotting from the head" (Int.072017.d).

Such perceptions about leadership matter when it comes to attitudes towards corruption among the population. This is notable in countries such as neighbouring Uganda and Kenya, where average citizens frequently justify their own willingness to engage in practices of corruption by referring to the seemingly endless string of grand corruption scandals involving the political elites and the normalisation of corruption as a practice expected of and tolerated by the top political leadership (Baez Camargo, Bukuluki, et al. 2017)

The importance of a strong and popular leader is also to be underscore because it matters for the purpose of enacting the radical transformation that was laid out for Rwanda following the Urugwiro village consultations. The ambitious reconstruction and national development goals agreed then demand a strong capability to enforce reforms and steer the coordinated actions of a complex constellation of actors. This provides a backdrop to the need of a leadership that enjoys autonomy from vested interests to be able to exercise authority forcefully, in a top-down manner towards achieving the proclaimed goals of the government (See Kupatadze 2018 for parallels with the Georgia reform experience). This degree of autonomy is linked to attributes of the post-Genocide political settlement, characterised by a rather small winning coalition in which the military play a crucial role (Booth and Golooba Mutebi 2013). Elite cohesion is in this context, undoubtedly, facilitated by the high degree of personal legitimacy that the president enjoys. On the one hand, there is a widely-held belief among army officers, active and retired, that without Kagame at the helm of the RPA the war would probably have been lost. On the other hand, his authority also emanates from what some refer to as an almost puritanical approach to issues of personal conduct. These latter include his approach to the impartial integration of members of the Hutu community after the Genocide, who as a consequence view him as the sole guarantor of their security and wellbeing.⁷

The strict enforcement of rules has led some to characterise the Rwandan development model as militaristic (Purdeková 2011a) and enforced in a similar manner as a guerrilla army is commanded (Campioni and Naack 2012).⁸ In fact, many high-level defections (even into the 2010s) been assumedly linked to an "underlying discontent with the rigours of leadership discipline under Kagame" (Booth and

⁷ We are thankful to Fredrick Golooba-Mutebi for pointing out these elements that contribute to the high levels of popularity enjoyed by President Kagame.

⁸ One may question whether the effectiveness of this top-down may not be facilitated by broader socio-cultural tendencies. Indeed some authors have highlighted historical and cultural roots of strong top-down social control as a trait characteristic of Rwandans (Mulindahabi 2015) as reflected in popular sayings such as "interu iturutse ibukuru urikiriza" [when the tune comes from the top leadership you applaud]. Furthermore, Straus (2008) considers that such cultural traits are enabled by Rwanda's human and physical geography which increase the capacity for surveillance and limits the opportunities for exit and escape.

Golooba-Mutebi 2012b, 9). The distinguishing features are, i) strong discipline enforced across the public sector, ii) re-education of the masses, and iii) an emphasis on sacrificing individual interests for the public good. These features enable the implementation of a development model that includes measures that work to fight corruption top-down through state-led institutional reforms, horizontally through close involvement with private sector actors and businesses, and from the bottom-up by means of redefining the national identity around a notion of integrity that supports anti-corruption at the grass roots.

3 Characterising the Rwandan Political Regime

Positive anti-corruption outcomes are often associated in the literature with democratic political regimes. Key arguments are that the processes and procedures associated with multi-party elections increase democratic accountability, including effective checks on state performance by non-state actors such as civil society organisations or the media (Mungiu-Pippidi and Johnston 2017). However, this correlation is not entirely straightforward, as more recent contributions have shown. Evidence from Kenya, Tanzania and Uganda (See Musila et. al. 2018, Sambaiga et. al. 2018 and Golooba Mutebi 2018) suggests that shifts from a one-party regime to multi party electoral competition actually exacerbate corruption risks. The fact that Rwanda, a success story in terms of its low levels of corruption, is more often than not characterised as an authoritarian regime points to the relevance of outlining the features of the Rwandan political regime for the purposes of this study.

3.1 Power-sharing and consensus decision making as key principles of political engagement

Whereas from its earliest days the RPF professed a determination to establish a “true democracy” defined as majority rule based on a genuine programme uniting all Rwandans (International Crisis Group 2001), the conceptualisation and operationalisation of democracy in Rwanda does not necessarily follow conventional expectations. At the core of the dynamics that characterise the Rwandan political regime are the principles of power-sharing and consensus building in decision-making.

At the core of the dynamics that characterise the Rwandan political regime are the principles of power sharing and consensus decision-making. These principles stem from the notion, enshrined in the 2003 Constitution, that the regime is inclusive to all Rwandans who renounce ethnic divisionism and genocide ideologies. The constitution also stipulates power-sharing as a central guiding principle for major social and political arrangements. For instance, the President of the Republic cannot belong to the same party as the Speaker of the Parliament and no single party can accumulate more than 50% of the seats in the Cabinet. Power-sharing is also reinforced by the electoral system whereby elections to the lower house are based on proportional representation. All political parties, including those that are too small to gain parliamentary seats, receive state funding for capacity and programme development through the Forum of Political Parties.

The power-sharing principle is further supported and reinforced by a commitment to decision-making by consensus as the best procedure for the adoption of national policies. Consensus decision-making

was explicitly intended to “recreate a sense of community and belonging among Rwandans proving that they can transcend their religious and ethnic divisions” (International Crisis Group 2001, 3).

The degree to which the practices of power-sharing and consensus decision-making are genuinely observed is contested. On the one hand, in spite of the RPF’s prominence, there is evidence of power-sharing with other political groups. As of early 2013, there were ten registered political parties in Rwanda. Of these, eight had positions in government. The larger ones, whose representatives vigorously reject the suggestion that they are mere satellites of the RPF, hold important cabinet posts (Golooba-Mutebi & Booth, 2013: 9). Accusations that the regime is predominantly led by Tutsi elites also do not appear to be fully substantiated. There are many Hutus in the RPF and in the Government and Parliament representing other parties or as independents. In fact, the PSD, one of the RPF’s most important partners in the ruling coalition, used to be regarded as the party of the southern Hutus who were marginalised under the former Habyarimana regime. Moreover, some former members of the northern Hutu leadership, which was the core of the former regime, have joined the RPF and been brought into important positions in government, and in presidential elections, the Northwest brings in one of the largest votes for Kagame (Golooba-Mutebi & Booth, 2013: 15).⁹

There is also evidence that differences of opinion about policy content generate heated debate among the parties before reaching a settlement, often based on compromise (Clark 2014), and that some policy decisions on which an agreement cannot be reached are postponed (Golooba-Mutebi & Booth, 2013: 10).

On the other hand, there are several voices that express the view that the formal power-sharing arrangements and consensus decision-making processes represent mere window dressing to the overwhelming power exercised by the RPF. Some interviewees observed that parties other than the RPF have no meaningful representation at the local level (Int.012017.b) and accusations have been made that top politicians who are not members of the RPF often have a RPF deputy assigned for informal monitoring (Purdeková 2011a). Other authors argue that because parties who fail to comply with the very strict rules set by the regime are denied registration, those who are granted a political voice are only those who acquiesce to the RPF rather than authentic opposition parties (Kelsall 2013, 123). From such a perspective, the manner in which the political party system is organised in Rwanda together with the power-sharing principle could be seen as constituting a manner of co-optation of potential opponents into the fold of the RPF’s political programme of unity.

Indeed, because the RPF regime prioritises unity above any other principle of political action, the practices it endorses seem to be often at odds with key principles of traditional liberal democratic thought such as that of pluralism (Dahl 2005). Limits to pluralism are especially evident in the manner in which political parties are regulated.

Officially registered political parties belong to a Forum of Political Parties known as the National Consultative Forum of Political Organisations (NFPO). The forum receives annual financial support from the national budget which is accessed on the basis of need and for specific activities such as capacity building. This funding scheme is the only state funding for parties that is allowed (Golooba-Mutebi and Booth, 2013: 9) and is directly allocated by the government to support political activities of the parties.

⁹ Inclusiveness also extends to gender as Rwanda’s Chamber of Deputies is one of only two legislative bodies worldwide where women outnumber men (Cooper-Knock 2016).

The political parties, however, are not entirely in control of these resources because they do not receive the subsidy in cash, but rather get reimbursed for activities they organise (int.062017.a).

Thus, the inclusion of other political parties in the government through the principle of power sharing is not with the view of enabling contestation but is rather part of the broader programme of consolidation of the RPF's ideology. According to one interviewee close to the NFPO, the contribution given by the government is understood as promoting the capacity-building of the political parties through seminars and meetings to promote the formation of professional politicians who endorse and promote the official ideals of unity, patriotism and togetherness (Int.0620187.a). Yet another interviewee, a high-ranking government official, maintained that one cannot assess the Rwandan political regime utilising the categories and dimensions of the Western models of democratic practice that emphasise ideological contestation. Rather the analysis should "adopt the perspective of a divided society, where people were alienated from each other and where large inflows of repatriated Rwandans have been arriving, not only from neighbouring countries, but also from Europe and North America. In this context, the regime and all Rwandans needed to appropriate a project of society promoting patriotism and unity" (Int.072017.e).

To the extent that, for the sake of preserving national unity, disagreements may be consistently expressed behind closed doors, it is probably impossible to ascertain whether power-sharing and consensus decision-making principles are actually genuinely observed, and therefore form part of a governance model radically different to that of public and adversarial policy-making, or whether they camouflage a reality of enforced consensus under RPF domination.

However, a final point on this discussion to be noted is that the RPF and the Rwanda Patriotic Army (RPA) did have overwhelming military power at the end of the war in 1994. Thus, as Golooba-Mutebi & Booth (2013: 8) note, the RPF's rejection of the principle of 'winner takes all' was a choice and not necessarily inevitable. It also constitutes a notable distinction to neighbouring regimes such as Kenya or Uganda.

3.2 Limited electoral competition

Consistent with the RPF ideology that gives pre-eminence to unity, elections are said to be embraced by the RPF government to the extent that they do not compromise national unity and reconciliation. In fact, some reports suggest that because President Kagame regards strong multi-party electoral contestation as conducive to the exacerbation of social divisions¹⁰ (International Crisis Group 2001, 4), elections have been closely managed as in the case of the 2001 district elections, when it was ensured that only counsellors and district executives who endorsed the policy of national unity and reconciliation were elected.

Paul Kagame has been the head of state since 2000 and has been re-elected three times with overwhelming majorities of 95% of votes in 2003, 93% in 2010 and 98.6% in 2017 which has raised criticism among external observers who interpret such landslide victories as not credible.¹¹ The lack of an even playing field in the electoral arena is one of the often-cited shortcomings of the Rwandan democratic process.

¹⁰ A view, which is not necessarily exclusive to the President, but was widely shared during the consultations leading to the 2003 Constitution.

¹¹ See, for instance: <https://www.nytimes.com/2017/08/06/world/africa/rwanda-elections-paul-kagame.html>, or <https://www.hrw.org/news/2017/08/18/rwanda-politically-closed-elections>

One interviewee, who belongs to an opposition party, pointed out that a serious challenge to opposition parties is the lack of structural and organisational capacities at the local level, which only the RPF possesses (Int.012017.b). Some authors go as far as to assert that the RPF has established influence at all levels through structures that “mimic those of the state [...] with the result that the lines between ruling party and state are blurred” (Purdeková 2011a).

Still, several observers insist that the overwhelming electoral victories of President Kagame cannot be explained away solely on the basis of an uneven playing field. High turnout levels (96% turnout was reported in the 2017 elections) suggest little voter apathy, even considering a 10-20% margin of error to account for inflated numbers. On the basis of those considerations, as well as the repeatedly occurring opinion among interviewees, it seems inescapable to acknowledge that President Kagame enjoys substantial support among Rwandans (Kiwuwa 2005: 459; The Economist Intelligence Unit 2017).

In neighbouring countries such as Kenya, Tanzania and Uganda the research has shown that even limited contestation in multi-party elections is a significant driver of informal practices that exacerbate corruption risks (Fredrick Golooba-Mutebi 2018; Sambaiga, Koechlin, and Baez-Camargo 2018; Wrong 2009). Those cases illustrate how by resorting to informal networks political elites mobilise significant amounts of resources in order to weaken the opposition and to secure the financial means to run costly electoral campaigns and to buy the support of key groups. The very restricted electoral contestation in Rwanda may well prevent such drivers of corruption from escalating. Furthermore, and as will be elaborated in detail later on, the ruling party is very well off. A steady stream of profits from RPF-owned business concerns have the side-effect of removing the pressure on the ruling party to raise political funds by corrupt methods (Booth and Golooba-Mutebi 2012: 391).¹²

3.3 Non-state watchdogs: the role of the media in Rwanda

The Rwandan media are often characterised as enjoying relatively little press freedom and being predominantly state-controlled or supervised (Bozzini 2014). Focus Group Discussion participants and journalists indicated that there are significant limitations to their investigations about mismanagement in the public sector. In particular, intimidation was cited as frequently occurring among journalists who try to report corruption cases. Furthermore, journalists expressed that they fear to be sacked, which leads to self-imposed censorship while yet others said that public agencies involved in the fight against corruption think that to be more efficient, they need to avoid media interference and publicity and therefore are antagonistic to journalists (Int.032017.h).

FGD participants also pointed to collusion between media managers or owners and big companies which prevents journalists from reporting anything that can tarnish the image of big businesses and companies (Int.032017.h). The research participants shared the example of a practice called “Giti” or asking for “*imyanzuro y’inama*” [literally being briefed on the conclusions of the meeting], whereby journalists approach the finance manager to be given an envelope (presumably with money) and be subsequently instructed on how to report the event in question. Equally, a CEO of a private media outlet said that “there is a big gap between what is said and what is really done.” For him, media cannot fulfil properly their role as informal watchdog by providing independent and free editorial line

¹² Arguably, Rwanda's continued presence and involvement in illicit mineral extraction in neighbouring DRC also contributes to the remarkable financial independence of the party (UN Security Council 2017).

on various issues. He said that media regarded as not friendly to the regime are shunned by some public institutions.

Despite the fact that the laws regulating the media state that “a journalist shall have free access to all sources of information and the right to freely inquire on all events of public life, and to publish them in respect of the provisions of this Law and other Laws”, findings from the FGDs indicate that formal requests for accessing information can simply be ignored. The extent to which the informal constraints raised by the research participants hamper the ability of the Rwandan media to report on corruption is, however, an issue that goes beyond the scope of this report.

4 State reform and top-down enforcement

The identification of a strong link between reconciliation and development was clearly outlined early on in the *Vision 2020* development plan that postulates the broad development goals of the Rwandan government. *Vision 2020* states that it is by economic and social development that ethnic divisions and violent conflict will be avoided and a new Rwandan national identity will emerge that contributes to the efforts of boosting economic growth.¹³ *Vision 2020* has set ambitious goals, aiming at eradicating poverty and reaching middle class income levels by 2020. This is of particular relevance because, as Frederick Golooba-Mutebi and Booth (2013) argue, the government has invested in cultivating support and legitimacy on the basis of economic development as opposed to patronage practices, which means that the stakes for delivering on performance are substantial.

Achieving the development goals required a drastic reform of the public sector in order to strengthen state capabilities for improved service delivery. It also required, given the devastation left behind in the aftermath of the Genocide, a significant involvement of the state to fund and steer the basic activities needed to begin the process of reconstruction and to set the foundations for a propitious investment environment attractive to foreign capital, in which medium and small local business ventures could ultimately also thrive (see section 5).

4.1 Public sector reforms

The public sector reforms initiated in 1999 can be characterised as radical and far reaching. They comprised a continuous process of institutional engineering substantially increase public sector capacity and effectiveness, including the adoption of high-tech solutions to increase public sector transparency and reduce the discretionary space for corruption.

Here we focus on those key areas where practices of co-optation, such as patronage and those involving clientelistic networks, tend to develop: namely decentralisation and human resource management practices of recruitment, performance monitoring and enforcement of sanctions.

4.1.1 Decentralisation

The RPF inherited the remnants of a highly centralised state administration. In 2000, the government passed a National Decentralisation Policy that had the stated goal to improve the delivery of essential

¹³ See <http://www.minecofin.gov.rw/index.php?id=148>

public services and gave decision-making powers to mayors and the elected district councils for implementing national development programmes at the local/district level. Interestingly, one of the first reforms aimed at decentralising the public sector involved the reduction in the number of districts from 154 to 30. The rationale behind this reform was that fewer districts could be better staffed and resourced and thus more effectively administered than would be the case with a larger number of smaller districts (UNDP 2014, 21).¹⁴ This measure stands in contrast with the case of Uganda, where the commitment to decentralisation by the regime has resulted in a steady increase in the number of districts (from 39 in 1996 to 135 in 2016) which confront significant challenges associated to financial and human resources constraints (Baez-Camargo 2012).

The importance of decentralisation is reflected in the fact that the government's major social programmes are implemented by local-level authorities and the district-level budget is five times larger (10 billion RWF) than the budget at the ministry level (2 billion RWF). Thus, importance is also given to ensuring that adequate monitoring and accountability mechanisms are in place. Because of the decentralisation reform, the District Councils have the autonomy to recruit the staff and the process has been professionalised.¹⁵

Questions about whether this step accounts for true decentralisation remain since the reform has placed a stronger accent on the delivery of national policies than on representation of local interests. Critical views on the manner decentralisation has taken place in Rwanda, such as those expressed by Scher (2014) are echoed by one high-level politician interviewee who holds that although institutions might have been decentralised, decision-making and planning powers remain essentially a central government prerogative (Int.012017.b). On their part, supporters of the on-going decentralisation ascertain the autonomy of the districts in major issues such as development planning and implementation; staffing, and finance management, although this is nuanced by the fact that according to prescribed mechanisms national priorities are consolidated with local priorities during joint retreats of central government and local government experts and leaders.

4.1.2 Human resource systems

A key feature of the Rwandan public sector reform process has been a drastic reduction in public sector employment aimed at suppressing unnecessary posts and increasing its efficiency. These cuts were coupled with significant salary increases for the remaining positions. Two major waves of personnel cuts occurred, one in 1999 and another in 2006. According to (Hausman 2014), the number of staff in central ministries declined by up to 90% and salaries tripled for those who remained. Furthermore, relatively high salaries to public officials appear to be particularly relevant in the case of those institutions mandated with the oversight functions such as the Office of the Auditor General, whose staff are better paid than other civil servants (Int.072017.b). Former civil servants were rehired, but ministries received a good deal of fresh personnel, much of it comprised of returnees from the diaspora and, increasingly, recent graduates of the National University of Rwanda (now University of Rwanda) or universities in Uganda and other countries.

This is one of the public sector reforms that led to significant structural change conducive to the control of corruption. In some of the neighbouring countries, a steady increase in the size of

¹⁴ According to the International Crisis Group (2001), decentralisation was also seen as a means to destroy the political machinery that facilitated the Genocide.

¹⁵ The Rwanda Association of Local Government Authorities (RALGA), which is a non-profit joint venture of the Rwanda Governance Board and the Ministry of Home Affairs and Local Government which works with the 30 Districts and the city of Kigali providing them with services including staff recruitment.

government (at the national and local levels) as well as in other public entities has been associated with the extensive use of practices of co-optation i.e. unmerited appointment to jobs in the bureaucracy at all levels as a way to reward supporters and appease opponents. The corruption risks associated with bloated public sectors in Kenya, Tanzania and Uganda emanate from such informal patterns of co-optation; but they have been compounded by notoriously low nominal wages, which in turn increase the incentives to supplement the income by means of informal means such as bribery and embezzlement (Kane 2009).¹⁶

Besides job cuts and wage increases the Rwandan regime has introduced changes to public sector recruitment regulations that limit the ability to use public sector employment as a co-opting currency. In that regard, the government set up a Public Service Commission in 2007 to standardise and oversee recruitment practices throughout the civil service. More recently, the recruitment process for the public sector has been digitalised and anonymised. An overall agreement persists that the Public Service Commission recruitment system is effectively based on merit (Booth and Golooba-Mutebi 2012a).

One interviewee close to the recruiting authority outlined various efforts underway to curb corruption during employment and recruitment processes: first the digitalisation introduced in job application processes; second the codification of the applications and copies of exams; third the exclusion of telephone use by the officials involved in supervising or correcting exams (Int.042017.a).

It should be noted that the Rwandan government has pursued a similar approach in the recruitment practices of powerful RPF-owned enterprises, which are known for having extremely open and competitive policies for the recruitment of managers, engineers and other technical specialists, some of whom are recruited from outside the country. As Kelsall (2013, 130) notes, these practices stand in contrast to one of the distinguishing features of the African informal pattern in which “jobs for the boys’ and jobs for locals take precedence over firm efficiency and competitiveness.”

4.2 Accountability, monitoring, good governance and zero tolerance

The Rwandan anti-corruption legal framework in Rwanda quite comprehensive.¹⁷ In addition, the Government of Rwanda has ratified international treaties and conventions related to anti-corruption activities. These include the United Nations Convention against Corruption (UNCAC) in 2014; the African Union Convention against Corruption (AUCAC) and the East African Community Treaty against Corruption.

The implementation of laws and official policies is stringent in Rwanda. Punishment of corruption and related offences entail extremely harsh sanctions (Baez Camargo, Gatwa, et al. 2017). Even minor

¹⁶ Related to those considerations, the World Bank (2014) identified substantial salary increases as a means of addressing petty corruption among bureaucrats and providers of public services, although there is conflicting evidence on its effectiveness (for a succinct discussion see U4 2013) <https://www.u4.no/publications/salary-top-ups-and-their-impact-on-corruption/pd>

¹⁷ It comprises laws defining, punishing and preventing corruption including the organic law no 01/2012/OL of 02/05/2012 establishing the Penal Code, particularly articles 633 to 651 repressing corruption; organic Law no 61/2008 of 10/09/2008 on the leadership Code of Conduct as modified and complemented by Organic Law no 11/2013/OL of 11/09/2013 [OG of 28/10/2013]; Organic Law no 12/2013/OL of 12/09/2013 on the State’s finances and property; Organic Law No 10/2013/OL of 11/07/2013 governing Political Organisations and politicians. According to this law, article 40, politicians and political organisations shall be prohibited to commit acts of corruption and other related offences; Law no 12/2007 of 27/03/2007 on public procurement as modified and complemented by law no 05/2003 of 13/02/2013, particularly its article 10 on the anti-corruption measures: prohibition to accept or solicit directly or indirectly, offer to an employee or a former employee of the procuring entity or other public institution, a bribe in any form, to compromise someone with respect to any act or decision connection with the procurement proceedings. And the tender committee is instructed to reject any bidder’s that is suspected to be engaged in acts of corruption or fraud; Law no 35/2012 of 19/09/2012 protecting the whistle-blowers; Law no 76/2013 of 11/09/2013 determining the mission, powers, organisation and functioning of the Office of the Ombudsman; Presidential Order no 27/01 of 30/05/2011 determining the organisation, functioning and mission of the Financial investigation Unit; Presidential Order no 64/01 of 12/02/2014 determining the responsibilities, organisation and functioning of the Advisory Council to fight against corruption and injustices.

(petty) offences are strongly condemned and punished. Mbaraga (2017) reported that a list of persons convicted of corruption that was published by the Office of the Ombudsman included people who gave a bribe as small as RWT 1,000 or 2,000 and were subsequently imprisoned for 1-2 years.

Beyond the legal framework, the Rwandan regime emphasises a culture of integrity, beginning with its own ruling party. The RPF has a long-standing code of conduct. There is a component of changing the culture at the workplace, notably, what it means to be an honest and responsible public servant. Austerity has been instituted as the style of the government. Under the “Zero Fleet Policy” adopted in February and March 2005, only the five top leaders of the Government of Rwanda are entitled to an official car or residence (Government of Rwanda, 2014).¹⁸ Shaming and respect are linked to performance at the workplace. There are both positive incentives but also significant costs for underperformance. In contrast with public servants in neighbouring countries, “if one gets appointed in countries like Uganda, Kenya one makes a party; in Rwanda the person can begin to shake with fear” (Int.072017.g).

Monitoring and accountability mechanisms in the Rwandan public sector are varied. Some follow conventional approaches to performance management, others perform similar functions while appealing to traditional Rwandan values and yet others make use of sophisticated information and communication technologies (ICTs). Overall, a notable feature of the monitoring activities and performance evaluation mechanism across the Rwandan public sector is that they tend to be given a high degree of visibility. Other mechanisms of public accountability are the National Leadership Retreat, the National Dialogue, all of which bring together representatives of citizens, experts, media and different strata of society (Int.072017.d.,e&f).

For instance, 84% of government expenditures are audited out of a 295 billion budget and the expectation prevails that the Auditor General’s report may not be delayed even by a single day (Int.072017.b). The follow-up of the Office of the Auditor General’s (OAG) reports is undertaken by the Public Accounts Committee (PAC) of Parliament and the National Public Prosecution Authority [NPPA], which are given six months to analyse the reports and thereafter presents its recommendations during a plenary session that is televised. Statistics on crimes including the names of the offenders are regularly published. The police have also implemented many internal control regulations to ensure that corruption within the agency is properly investigated and sanctioned. Statistics on internal offences are published on a monthly basis (Int.092016.a).

Part of the public service delivery reform has involved reducing the opportunities for corruption through the digitalisation of the vast majority of public services, including tax collection processes. Access to government services is done via the website *Irembo* which connects directly to the Office of the Rwanda Revenue Authority [RRA]. This digital platform has been an important part of the government’s strategy to combatting corruption by reducing discretionary use of providers’ authority by providing users with information about processing times and fees. Furthermore, *Irembo* eliminates the exchange of money between public officials and citizens since all payments for services are made directly to the bank account through auto generated information from the central office of the Rwanda Revenue Authority. The police have digitalised many of its services, including driving license applications, renewals, motor technical control and payment of traffic fines via the *Irembo* website.

¹⁸ The five public functionaries who have a right to an official car and an official residence are the president of the Republic, the President of the Senate, the Speaker of the Parliament; the Prime Minister and the President of the Supreme Court. All other ministers and senior authorities receive a tax exemption for the purchase of a car and favourable bank loans for acquiring a residence.

Similarly, the Rwanda Procurement Authority, which oversees all public procurement processes, has introduced a digitalisation system, through a new website called *Umucyo*.

4.3 Imihigo performance contracts

Worthy of particular attention, the Imihigo contracts are a performance evaluation mechanism widely used across the Rwandan public sector. In the ancient Rwandan kingdom, *Imihigo* involved a process whereby individuals would set personal goals and commit to their achievement publicly, usually before the king, village chief or the head of a clan or family. Subsequently, there would be an evaluation ceremony - called “Guhigura *Imihigo*” or ‘Kwivuga ibigwi’ - where an individual’s success in achieving the stipulated goals would be praised and rewarded. Rwandans resorted to this cultural practice when they sought to overcome a particular problem requiring voluntarism and commitment from an individual, an organised group or from all citizens. The community regarded such commitments as acts of bravery and held high expectations for their achievement (Rwanda Governance Board 2014, 85).

Today, the practice of Imihigo has been re-invented and forms the backbone of a central performance monitoring scheme that covers all public institutions and officials in Rwanda. District mayors, governors, cabinet ministers and ambassadors sign *Imihigo* contracts directly with President Kagame before the two chambers of the Rwandan Parliament on an annual basis. Some of these ceremonies are widely publicised on Rwandan television and Radio, and the documents are made public on district websites and the local press so that citizens in the districts know exactly what their leaders have committed to.

Achievement of *Imihigo* commitments is scrutinised at cabinet meetings and during leadership retreats, in the presence of the President. Districts are ranked according to performance and top achievers receive awards which are considered to bring status and prestige to the recipients (Scher 2014; Hasselskog 2016). Conversely, there is consensus that consequences are serious for those who fail to fulfil their duties and *Imihigo* commitments. One high-ranking government interviewee stated that failing to fulfil an *Imihigo* contract would make a person appear as “incapable”, which is locally understood to be a public humiliation (Int.072017.e). Furthermore, underperformance may lead to public questioning and even to dismissal (Versailles 2012; Scher 2010: 8).

The strict enforcement of the *Imihigo* process, provides ministers, permanent secretaries and other officials with an unusual level of motivation and incentive to perform (Booth, Calabrese, and Golooba-Mutebi 2017). The visibility of the *Imihigo* process is further said to enhance accountability; together with the reformed recruitment processes detailed above, these procedures make top down co-optation exceedingly difficult, as the performance of individual officials is monitored closely and made public on a regular basis. A high level official working on governance matters indicated that the fact that from the first class of elected mayors only two were re-elected was a clear indication that top down co-optation is not a widespread practice (Int.072017.e).

5 Relations with the business sector

The Rwandan government has expressed a strong commitment to the private sector as an engine of growth and development. However, the economic model that the government has pursued departs from conventional market-led development prescriptions, in that it gives the state a central role to

intervene in and manage the development of a national private sector.¹⁹ In fact, a crucial characteristic of the reconstruction of the Rwandan economy post-Genocide has been the direct involvement of the RPF in the private sector of the economy. Party-owned enterprises have played – and continue to play – a central role in the Rwandan economy, which has given reason for critics to suggest that businesses close to the regime receive preferential treatment such as unduly obtaining profitable government contracts.

Patterns of horizontal co-optation, whereby political and business elites engage in mutually beneficial exchange at the expense of public resources are a recurring feature in regimes affected by high levels of corruption in East Africa and beyond (Baez-Camargo and Ledeneva 2017; Fredrick Golooba-Mutebi 2018; Sambaiga and Baez-Camargo 2018; Kelsall 2013). This section explores the main features of the Rwandan economic model with particular focus on the relationship between the state and the private sector, with a particular focus on factors that are conducive to (limiting) corruption.

5.1 Genesis of a state-led approach to economic reconstruction

In the aftermath of the Genocide, the business sector was devastated, which meant that in order to jump-start the economy it had to be built up from scratch. In this process, the Rwandan political leadership deemed that a strong but strategic state involvement was necessary to enable the economic reconstruction of the country. The RPF-led government stepped in to mobilise domestic resources as well as from the diaspora, creating state-owned entities that would perform key market functions which the private sector was not in a position to undertake. This was the logic behind the creation of several prominent business endeavours that to date continue to play an important role in the Rwandan economy: Crystal Ventures Limited, a holding company mobilising investment in key areas; the Rwanda Investment Group (RIG), a consortium for funding major infrastructure and development projects; and Horizon Group, an investment company linked to the military with interests in construction and logistics.

Tri Star Investments was created in 1995 out of financial contributions to the war, It is owned by the RPF and changed its name to Crystal Ventures Limited in 2009. At the outset, the primary purpose of TriStar was to respond to the extreme shortages that affected the Rwandan economy in the aftermath of the Genocide. Profits were used among other things to address acute material shortages, pay for government salaries and to import consumables.

As TriStar became more profitable with the recovery of the Rwandan economy, the dividends began to flow back to the RPF becoming subject to decisions of the RPF executive committee (Booth and Golooba-Mutebi 2012b, 12). Nowadays Crystal Ventures Limited is the largest investment company in the country, it owns companies across multiple sectors and is the country's top private employer.

The RPF government also brokered the creation of a private investment consortium that brought together a group of influential entrepreneurs. This consortium, the Rwanda Investment Group (RIG) was created in May 2006, at the instigation of President Kagame “in response to the difficulty of raising funds for large projects in the absence of a local capital market” (Booth and Golooba-Mutebi 2012b, 23). According to Kelsall (2013, 132) it “brings together ‘nearly all’ of the richest and best known individual business people of Rwanda and the diaspora along with the major public financial

¹⁹ A high-ranking parliamentarian commented that what is crucial for promoting growth in developing countries like Rwanda is the government's mindful intervention and to not be ideological in opting for a unique way of organising the economy JBN & AD, Interview with PAC leadership 9 February 2017.

institutions.” Its mandate is to raise capital for investments of particular national interest and to foster “economic patriotism.”

In addition, the government also encouraged the army (including those demobilised, retired service men and the disabled by war) to create a business conglomerate called Horizon Group to undertake socio-economic projects. Horizon Group has engaged in construction, housing projects, and logistics among others. It has clear political and social goals.

This proactive approach to growing the internal market included harnessing unexploited economic opportunities in the absence of local and international investors. This was achieved by means of support to business interests that have close links to the RPF, a strategy that has been justified by President Kagame who has said that “we wanted to see a difference in our country where nobody was coming to invest” (KT Press 2017). However, the direct relation between the hegemonic political party and business players also contradicts the conventional agreement that all businesses should compete on a level playing field and has therefore generated substantial questions about the anti-corruption credentials of the regime. Aside from the question about the potential negative economic consequences of a strong nexus between public authorities and business interests, a key concern for the purposes of this study is whether the links between the ruling party and prominent business interests lead to the undue enrichment of political elites and their allies or the abuse of public authority to benefit particularistic interests.

5.2 Developmental patrimonialism

Close links between business and politics almost always are associated with neo-patrimonialism. But as Kelsall suggests there are more or less developmental forms of neo patrimonialism. According to Booth and Golooba-Mutebi (2012b: 3) “a country is said to display developmental patrimonialism when the ruling elite acquires an interest in, and a capability for, managing economic rents in a centralised way with a view to enhancing their own and others’ incomes in the long run rather than maximising them in the short run.”

Arguments supporting the notion that Rwanda approximates the description of a developmental patrimonial regime point out that a continuous feature of Tri-Star/CVL operations lies in the fact that they have been willing to undertake substantive risks in order to fund investments with high expected social benefits and/or positive economic externalities, including those associated with venture capitalism (Booth and Golooba-Mutebi 2012a). The company made investments that were more clearly informed by a long-term vision for the development of economy, for example by triggering demonstration effects aimed at stimulating investment by private firms in new or stagnant sectors of the economy (Kelsall 2013, 128).

Research into the trajectory of the RPF’s involvement with business concerns suggests that state intervention is conceived strategically to jump start economic growth and build up investors’ confidence with the aim of consolidating a wider economic environment where the private sector can take a leading role in fostering economic growth (David Booth, Calabrese, and Golooba-Mutebi 2017; Booth and Golooba-Mutebi 2011). As part of its proactive stance to attract foreign investment the Rwandan government signed memoranda of understanding with several firms from the export sectors, in which the firms set export targets and the government commits to resolving policy-related problems that the firms see as constraints to their performance. In addition, Rwanda has adopted most policies and institutional arrangements promoted as best practice by the World Bank, significantly simplifying and modernising the regulatory regime for private enterprise, which is reflected in Rwanda’s ranking

as second best performer in Sub Saharan Africa in the World Bank's Ease of Doing Business rankings.²⁰ In addition, the government has also aimed to address the significant weakness of the local business sector through the creation of an initiative – the Private Sector Federation – that focuses on stimulating interest representation and capacity building among small and medium sized firms.

Thus, the strategy of the government is clearly not centred on consolidating a dominant role of the state over the economy. In fact, nearly all the parastatals inherited from the Habyarimana years have been privatised. In the coffee sector, for instance, the government dismantled the state monopsony export agency (Rwandex) which exported up to 80% of coffee out of the country and was used as a vehicle for rent extraction by the ruling elites during the Habyarimana years (Behuria 2014). Privatisation has been undertaken through a highly monitored process that follows the trajectory of the privatised firms in order to prevent mismanagement and economic underperformance, with the result that several companies were subsequently re-privatised when they did not meet the expectations in providing required injections of capital and know-how (Kelsall 2013, 131).

5.3 Political links

Scholars who have conducted in-depth research into Rwanda's political economy have found no evidence of direct profit by individual members of the RPF elites (Booth, Golooba-Mutebi and Kelsall 2013). Kelsall (2013) also noted that while state-owned firms in Rwanda have taken risks and assuming learning costs that other private sector actors were unwilling to assume, they also profited from direct and unhindered access to government and large public contracts. However, this author also finds that the instances where economic rents were realised, profits have been reinvested strategically in areas with expected social benefits or where economic externalities and initial learning costs keep private investment away.

In many developing countries, the funding of politics is reliant on collusive relations in which opportunities for rent seeking are handed out to individuals and businesses in exchange for votes and political support during critical elections.

In Rwanda, the source of funding stems partly from member contributions but also from the party-owned businesses. In distinction to its neighbouring countries, the profits of these companies go directly to the ruling party's coffers, and do not line the pockets of powerful individuals. Crystal Ventures has been led by a board of directors that is nominated by the RPF leadership and without a doubt the company represents a steady source of income for the party. According to Booth and Golooba-Mutebi, this income is precisely one of the reasons why the government does not need to engage in corruption in order to raise funds for its political activities. (2012b, 13). Indeed, according to news reports, Crystal Ventures funded half of the RPF's electoral campaign in 2010 (The Economist 2017). This direct link also means that industrial policy is unlikely to be hindered by rent seeking considerations (David Booth, Calabrese, and Golooba-Mutebi 2017) allowing for the precedence of policy over particularistic interests.

²⁰ See <http://www.doingbusiness.org/rankings?region=sub-saharan-africa> [accessed 1 May 2018]

6 Traditions and salience of cultural values as form of popular legitimation

6.1 Home grown solutions

One of the central features of the development model arising from the consultations at *Urugwiro* was the salient role given to Rwandan traditions and social values in the reconstruction process. While the idea of rehabilitating traditional African values to foster progress and development is certainly not new (Zadi Kessy 1998: 219; Ki-Zerbo 1992), the extent to which the Rwandan government has embraced pre-colonial traditions in operationalising some of its key social policies and public sector management approaches, the so-called Home Grown Solutions (HGS), is notable.

The links of the *Imihigo* performance monitoring mechanism to practices of pre-colonial Rwanda has already been noted. In addition, most of the RPF government's signature social policies are inspired by and appeal to traditional practices and values. The HGS are meant to play a pivotal role in promoting social welfare and restoring social cohesion. For instance, the **Ubudehe** programme, which is one of the government's main anti-poverty initiatives, is based on traditional notions of solidarity assistance.²¹ Under this scheme, the population is classified into four categories according to their economic situation in order to target a series of benefits to the poorest. Such benefits include access to free health services, direct monetary transfers, job opportunities and assistance in forming cooperatives with eased access to bank loans.

Furthermore, each particular programme is imbued with significance. For instance, the **Girinka Munyarwada** programme aims to give a cow to every low-income family. In the traditional Rwandan pastoralist society, the cow was a highly valued symbol of status and wealth, played a prominent role in family heritage, was highly valued as source of fertilizers, and constituted a symbol of friendship. Drawing from this symbolic meaning, Girinka is intended to work both as a programme for poverty alleviation but also as a mechanism for reconciliation because giving a cow is understood to create a social pact and instil a sense of belonging; and in this regard, a cow would be given by the State as joint ownership to families who were alienated by the genocide.²²

The HGS are meaningful because the traditional values they emulate play a much deeper role in contemporary Rwanda than simply providing a substantiating element to government social policies. The traditional values and practices of pre-colonial Rwanda have been articulated as the foundations of a moral order under the RPF-led government where interdependence, solidarity, and integrity become key drivers of social cohesion. The term for integrity, **Ubunyangamugayo**, which is repeatedly alluded to in public discourse, has in Kinyarwanda a much more complex meaning than the English translation suggests. It involves refusing to be ashamed and to take actions that contribute to a sense of pride; a wider meaning that provides a backdrop against which different behaviours are understood and judged. Thus, the term acquires relevance when applied to corruption as it emulates a sense of a moral transgression that goes beyond simply breaking a rule (int.072017.e).

²¹ Traditionally Ubudehe involved community work associated with the farming activity whereby neighbours would help each other to cultivate the land during farming season or to build houses. In a context where farming technologies were inexistent and peasants relied on individual family manual work, the Ubudehe activity was particularly instrumental in assisting the most vulnerable (widows; elderly) who lacked institutional assistance.

²² The program was conceived under Vision 2020 aiming at giving cows to 350,000 families at its completion in 2018.

One interviewee, considered that “the government is convinced that it cannot achieve good governance without focusing on people, systems and organisations; it is determined to build a culture where integrity is valued and corruption rejected” (Int.032017.k). Bottom-up integrity, discipline, participation and a sense of obligation are attributes associated with the notion of a new Rwandan citizen (*umunyarwanda*). Civic education is a key component for this endeavour.

Two key programmes are aimed precisely at fostering a cultural shift that promotes reconciliation and national reconstruction on the basis of values of integrity, solidarity and patriotism, promoted by the RPF regime. The *itorero* and *ingando* programmes are conceived as schools of excellence, to which attendance is mandatory and which may last weeks or even months. *Ingando* are camps where individuals go to learn about the history of Rwanda and the work of the government (Purdeková 2011b, 7). They have been used to reintegrate former combatants and other returnees from the diaspora, but are also attended by the youth, including college students, head teachers, district education officers, civil servants and members of professional associations. While some camps have a military component with accent on discipline, physical exercises and military training, politicisation remains central in the discussions on government policy and history that characterise all *Ingando* training. The emphasis is strongly on RPF political ideology underscoring the principle that “being Rwandan matters above all else” (Purdeková 2011b, 14). According to (Gatwa Forthcoming) these programmes are conceptualised as “a journey of re-education” in the Marxist sense of Amílcar Cabral which brings together bases and elites around the acceptance to be re-Africanized”.

Itorero can be understood as an advanced version of the *Ingando* and is a programme aimed at selected individuals from the elites whose main aim is the defence of state politics. In a manner akin to the logic of the *Imihigo* mechanism, *Itorero* graduates [*intore*] must pledge to specific goals, which they are expected to pursue once they return to their communities. More generally, *intore* are expected to become “opinion leaders” and “fighters for change” facilitating “change away from bad [mentalities]” (Campioni and Naack 2012). These values are highly conspicuous throughout the country, visibly displayed on large stones and billboards in public spaces, roads, buildings, and offices of different administrations.

6.2 Bottom-up component

This aspect of the Rwandan development model acquires particular relevance in the comparative analysis with other countries in the region. From a bottom-up perspective, the Rwandan government’s relationship with citizens also deviates from the pattern observed in neighbouring countries. In Kenya, Tanzania and Uganda the research has shed light onto the manner in which citizen expectations vis-à-vis their leaders are permeated by decades of clientelist practices. For one thing, in those three countries citizens regularly expect to receive some material incentive in exchange for their votes. Also, social groups expect their leaders to “eat” on their behalf. Support for political leaders is thus a function of their ability to deliver benefits in a particularistic manner to their networks of supporters. Social status and respectability are tied to the ability to deliver irrespective of where the funds come from and how they have been acquired, and this is linked to inherent social acceptability, or at the minimum tolerance, of corrupt behaviours.

Research into the relevance of social norms and practices in shaping attitudes towards petty corruption in Tanzania (Baez Camargo, Sambaiga, et al. 2017) and Uganda (Baez Camargo, Bukuluki, et al. 2017) shows that conflicts between the formal legal framework and informal social normative prescriptions are important factors fuelling practices of bribery and favouritism. In this respect, the strategy of the RPF to redefine Rwandan national identity ultimately strives to reshape the normative criteria by which behaviours are categorised as acceptable and granting respect and status or

conversely condemned and therefore associated to shame and social isolation. Rwanda is a clear outsider in a region where shame is often not attached to notions of corruption, or where in some cases corruption is even expected and socially accepted.

Pre-empting corruption at the grass-root level is linked to the acceptance and even enforcement of these values with the result that, in the words of one interviewee, “In Rwanda corruption has become a taboo” (interview RALC). Several interviewees further coincided in the view that corruption has become a source of social shame at the community level. Part of the reason are the huge social costs. “If you are caught you are socially ostracised, there is no possibility of being pardoned. Indeed, because the costs [of engaging in corruption] are exceedingly high, corrupt networks can be destroyed” (interview TI).

In Rwanda, multiple official programmes and activities operate at the grassroots level that are aimed at disseminating and promoting a model of communitarianism, power-sharing, consultative based and consensual decision-making. A change in mindset by mainstreaming the good practices and behaviours that characterise Rwandan citizens is a recurring theme in the official discourse. Such grassroots activities diverge from the conventional view of citizenship articulation in democratic polities, which relies on interest representation and contestation, individualism and dissent.

Popular participation in the public sphere is encouraged in various ways but in a highly structured manner and within strict boundaries. For instance, the Ministry of Home Affairs and Local Government has instituted Wednesday as a week day for public hearings. One of the authors has attended hearings at the local administration [*Umurenge*] where it is evident that local authorities are mindful of the serious consequences they would face if identified as providing poor services to the populations. Furthermore, there are claims that these public hearings are carefully monitored – both formally and informally and that in fact the levels of participation are quite low (Hasselskog 2018).

Imihigo extends to the household level which is a clear expression of the supremacy given to the collective over the individual. Citizens are expected to participate in community and national development goals. Each head of household signs a contract committing to reach certain proposed targets within a pre-specified period of time, habitually one year, to which they are held accountable. This is the extension to the household realm of the *imihigo* performance monitoring mechanism that applies across the public sector. While *Imihigo* as a national programme for public institutions was introduced in 2006, it was only in 2012 that it was extended to households. Household contracts are meant to encourage people to be involved in their own development through discipline and hard work. Local leaders and visiting officials are supposed to monitor progress and assist residents to realise their contract commitments (Hasselskog 2016). Individual households can be held accountable for not fulfilling their obligations vis-à-vis the community. Individuals who have received trainings in the vision of Rwandaness, especially those cohorts graduating from *ingando* and *itorero*, are expected to be vigilant of the safeguarding of the values of integrity and patriotic duty, mimicking to some extent the historical social armies of pre-colonial times, whose main reason for existence was the physical defence of the country (Kagame 1952).

7 Conclusions: Informal governance practices and control of corruption outcomes in Rwanda

7.1 Is Rwanda a good governance success story?

In spite of positive international rankings and the clear strides taken by the RPF regime to combat abuse of public authority, it would obviously be mistaken to conclude that corruption has been eradicated in Rwanda. During the course of the research, several interviewees working in the accountability sector across several state institutions highlighted gaps in the legal framework that remain to be addressed and which could further improve anti-corruption outcomes in Rwanda. These include, for instance, the fact that Rwandan law at the time of the research did not consider embezzlement as a crime of corruption (Int.072017.c, Int.092016.a; Int.072017.f).²³ Another interviewee pointed out that the weaknesses in the law are reinforced by the absence of adequate coordination among the agencies involved in the fight against corruption (Int.032017.k). Other interviewees recounted multiple instances of fraud and corruption in the delivery of the social programmes that are meant to combat poverty (Int.032017.b; Int.032017.c; Int.052016). Also, interviews with officials in several of the anti-corruption agencies suggested that one of the serious challenges they face is the scarcity of well trained staff, particularly in legal matters and corruption investigations, which delays the analysis and follow-up of audits (Int.072017.b.,d and f).

Instances of suspected corruption in the Rwandan procurement sector can also be recounted. News reports have pointed to dozens of national development projects that have stalled due to corruption and gross mismanagement (Mugisha 2016) and the Parliament's Public Accounts Committee has uncovered many instances of "*rwiyekezamirimo*" [entrepreneurs] whose contracts never meet the standards for which they are paid, thus arising suspicion of corruption and procurement fraud" (Int.022017.a).

In view that corrupt practices are never realistically completely eradicated the question that arises is whether instances of corruption in Rwanda should be regarded as the manifestation of a governance regime based on particularistic considerations, where corruption represents the normal state of affairs, or rather that instances of corruption are better seen as exceptions formed in the context of an otherwise universalistic governance regime. In other words, in light of the evidence collected in this study, where is it reasonable to locate the Rwandan case in the spectrum of public resource allocations with full particularism at one end and full ethical universalism at the other (cf. Mungiu-Pippidi and Johnston 2017)?

The evidence overwhelmingly suggests that petty corruption as a normalised practice has been eliminated in Rwanda. This is down to the promotion of behaviours associated to "Rwandaness" that are aligned with respect for the rule of law, which is reinforced by harsh punishments for those found guilty of crimes of corruption. However, control of corruption from the bottom-up, is not only prevalent due to fear of repercussions but also because it addresses one of the most important drivers of petty corruption through the notable improvements in the quality and accessibility of essential public

²³ Since then the Law Reform Commission has agreed to change the law.

services. Findings from another research project indicate that, in contrast to their counterparts in Tanzania and Uganda, Rwandan users of public services can, as a general rule, obtain the services they seek in a manner consistent with their legal rights and entitlements and without the need to resort to practices of bribery, gift-giving or favouritism. That same research also shows how there is a common perception among citizens and service providers alike that bad performance is routinely detected and, as a result of strict law enforcement, petty corrupt transactions, while not completely eradicated, have become much more secretive and hard to plan (Baez Camargo, Gatwa, et al. 2017).

Some voices suggest that strict law enforcement is aimed only at minor offenses and low-level public officials. For example, Bozzini has criticised the RPF regime's anti-corruption credentials arguing that "whistle-blowers are tolerated only if they denounce petty corruption, not affecting the ruling party or the military" (2014: 26). The significant influence of RPF-owned business concerns in the Rwandan economy is another factor that often exacerbates suspicions about grand corruption. Among our interviewees, the topic proved divisive with the majority of voices denying that such high-level corruption plots could survive the scrutiny enforced by the regime, although a couple of interviewees in the law enforcement and judiciary agreed on the likely existence of protected high-level actors who operate with impunity (Int.092016.a; Int.032017.k). Yet some other voices argue that "big fish" are indeed prosecuted, particularly for gross mismanagement and embezzlement, but their cases may not be mediated enough because the Rwandan law does not consider embezzlement as corruption offence (Ombudsman New Times: 02-08-2017).

A significant challenge in unravelling whether such rumours and accusations about grand corruption are validated lies in the nature of top-level decision-making, which is claimed to follow the principle of consensus among the different political groups that partake in the power-sharing government arrangements, but nonetheless happen for the most part behind closed doors. The problem of making a fair assessment is compounded by the lack of pluralism and tight controls prevailing in those institutions and sectors that typically are relied upon to exercise a watchdog function vis-a-vis public authority such as the Parliament, the media and civil society (Sebudubudu, Khatib, and Bozzini 2017a).

However, other empirical accounts that coexist with those critical voices assert that evidence for such grand corruption allegations is lacking. For instance, according to David Booth, Calabrese, and Golooba-Mutebi (2017) the military is well provided for but, according to their interview data, individual military officers have been systematically under pressure to not enrich themselves personally. Similarly, the evidence collected in this study overall points to the conclusion that the prevalence and scale of the incidents of corruption recounted by the Rwandan interviewees confirm that such practices are rather an exception than the rule. Perhaps even more compelling is the evidence of the Rwandan government's development achievements in key areas such as delivery of public services, improvements to infrastructure, and poverty alleviation which are hardly imaginable in a low-income country where a significant proportion of public resources are lost to grand corruption.

In light of the above considerations, this study finds that in terms of its anti-corruption outcomes the Rwandan governance regime can be situated closer to the ethical universalism ideal of public resource allocation and far removed from the model based on particularism prevalent in most of Sub Saharan Africa.

7.2 Characterising the Rwandan governance regime

If we agree that Rwanda is indeed an anti-corruption success story, then several questions need addressing: What can we learn from the Rwandan experience and how does the RPF-led government compare to other cases of high particularism in terms of the prevalence of informal governance

practices? What characteristics have enabled the transition from high corruption (particularism) to low corruption (universalism)?

The evidence suggests that the Rwandan case represents a governance model that clearly deviates from the African modal type based on clientelism and patronage, but also does not conform to the Western ideal of a Weberian state that adheres to ethical universalism and is kept in check according to principles of democratic accountability. Rather, Rwanda is closest to the model of the developmental state.

A first and central consideration to make in order to characterise the Rwandan governance model is the importance of the rise to power of a political leadership that commanded the military victory putting an end to the Genocide, which consisted in its majority of Rwandans who grew up (or spent many years) in exile. Therefore, the new political leadership and pertaining cadres were independent of those networks of political and economic interest that had previously ruled the country. After an initial phase characterised by internal conflicts and depuration of cadres, the leadership of the RPF, personalised in the figure of Paul Kagame, has become and remains to date the undisputed centre of power in the country. The underlying political settlement involves a narrow winning coalition, referring to those groups whose support is indispensable to stay in power, that includes the military. As Bueno de Mesquita and Smith (2011) assert, the smaller the winning coalition the fewer people to satisfy to remain in control, which relaxes the pressure to divert resources to manage the conflicting interests of more extensive (and often unstable) groups of supporters that characterise most competitive authoritarian regimes.

The accentuated centralisation of power around a small group led by Kagame enables a high degree of state autonomy to enforce the radical reforms that have transformed the Rwandan public administration significantly.²⁴ This was necessary to realise the RPF's ambitious programme of national reconstruction. However, as many of the endemically corrupt countries in the region and beyond illustrate, significant centralisation of power is not a sufficient precondition to promote an anti-corruption paradigm shift. What appears more likely to be a deciding factor, and what according to Fredrick Golooba-Mutebi and Booth (2013) distinguishes the Rwandan regime from the African modal pattern, is that the elites have "gambled" on building popular support by improving performance in development outcomes and public service provision as opposed to building and nourishing political constituencies through practices of patronage and clientelism (see also Chemouni 2016). This gamble requires building up an effective state apparatus that can deliver tangible results, which therefore entails avoiding pilferage and waste and enforcing controls on the behaviour of public officials. In this regard, as one interviewee in a high-level government position strongly asserted, in order to understand the regime's policies, one has to grasp that the "fight against corruption is not an isolated thing; it is part of something bigger" (Int.072017.e).

In this light, the Rwandan case represents a departure from the common African governance model based on patronage politics and the prebendal logic of co-optation, which depends on the cultivation of complex networks of vested interests that entrap political leaders into protecting and servicing the interests of their supporting networks, for the sake of political stability and regime survival (Baez Camargo and Sambaiga, 2018; Golooba-Muebi 2018, Baez Camargo and Musila 2018).

²⁴ This is not to discount the presumable impact that advisory groups to the President (such as the Presidential Advisory Council composed of 24 renowned national and international experts) have on Kagame's long term strategic thinking.

The Rwandan case also deviates from the conventional model associated with good governance which associates the ability of the state to allocate resources according to universal principles with social orders based on individualism and with a political arena where the principles of open contestation and pluralism that underpin liberal democracies provide the basis for keeping public authority in check. As this report has shown, among the pillars of the ideology espoused by the RPF are the pre-eminence given to communitarian unity over individualism and pluralist representation of interests as well as the emphasis on consensus over contestation.

The model of the developmental state, coined after the rise of the newly industrialised TIGER states of South East Asia (Hong Kong, Singapore, South Korea, and Taiwan) came to challenge the free market-based prescriptions of the Washington consensus. In those countries, accelerated industrialisation was promoted by strongly interventionist states (Wade 1993; Woo 1991; Kane 2009). This model of state capitalism required a combination of high state autonomy and authoritarian practices in order to centralise rents and strategically invest in export-oriented industries with strong ties to the state, while fending off social pressures in order to maintain low wages (White 1988; Hsiao 1990). As has been outlined throughout this report, many of these features can indeed be found in Rwanda, together with a strong personalisation of political power, which ‘blend modern bureaucratic and more personal forms of authority’ and has led several authors to consider the RPF regime as an example of developmental patrimonialism (Booth and Golooba-Mutebi 2012a; Huggins 2017; Biedermann 2016).

7.3 The 3C’s in Rwanda

Further adding to the recognition of the Rwandan government’s success in fighting corruption through a governance model that grants the state a central role in managing rents, for the purposes of this study it becomes central at this point to delve into the extent to which informal practices continue to play a role in the Rwandan context.

One common feature shared with the informal governance regimes that characterise other East African countries, is that a strong, dominant figure that centralises power, is behind the management of the key power networks in Rwanda. This section will argue that co-optation, control and camouflage practices can indeed be found in the Rwandan context but with important differences in nature and scope compared to those found in Kenya, Tanzania and Uganda. There are three main points that will be elaborated: 1) one of the main differences is that informal co-optation and control are not prevalent in the public sector, 2) in areas relative to non-state actors, informal co-optation and control mechanisms can be observed but, whereas in Kenya, Tanzania and Uganda the research has identified patterns of co-optation and control that happen in a top-down, horizontal and bottom-up manner, in Rwanda one finds that the predominant pattern is one of overwhelmingly top-down co-optation and control, and 3) strict enforcement rule of law may give rise to new forms of camouflage.

Within the public sector, evidence of top-down informal co-optation and control is not obvious. Top-down informal co-optation manifests itself in appointments to allies irrespective of technical competence, and recruitment practices based on particularistic criteria that result in patronage networks. Impunity of co-opted allies for underperformance and corrupt behaviours is another key characteristic of top-down informal co-optation. In Rwanda the evidence suggests that appointment criteria tend to emphasise competence while formalised human resource management systems promote recruitment based on merit. This conclusion was echoed in the Economist Intelligence Unit’s analysis of cabinet appointments following the 2017 presidential election, which indicated the president’s preference for bringing technocrats and experienced bureaucrats on board and concluded that “given the president’s dominance over Rwanda’s political landscape, he does not need to placate

rivals with political appointments and can instead focus on choosing individuals who can drive his economic agenda.”²⁵

Furthermore, strong monitoring and accountability mechanisms clearly set goals and expectations of performance. They are associated with mechanisms aimed at evaluating outcomes and enforcing consequences for underperformance, including the Annual Leadership Retreat and the public events where *Imihigo* results and rankings are announced. Notably, these accountability processes that Rwandan government officials undergo are public and transparent and the widespread perception among interviewees in this study as well as among other scholars and authors that enforcement of sanctions in the Rwandan public sector is stringent. The relevance of this strict application of sanctions to public officials for corruption, negligence and underperformance is underscored by a remark made by one of the interviewees: “Most African leaders do not have the capacity to fire [but] only to hire” – alluding to situations where appointments are made to appease or reward certain constituencies (Int.072017.g). The implication is that the enforcement of meritocratic criteria for recruitment and sanction enforcement is a measure of political autonomy and of a governance regime that does not rely on prebendal co-optation for its survival.

Within the ruling group, the evidence suggests that the expectations of austerity and regard for the law are enforced at the highest levels. Although, this is admittedly a claim that is exceedingly difficult to prove, this was a perception that came up repeatedly among interviewees and is echoed by other scholars who invoke the military background to explain high levels of discipline and austerity among inner circle elites (Campioni and Naack 2012). Yet others explain prevalent discipline as arising out of fear of the treatment that political renegades face under the Kagame presidency (Longman 2017). Behuria (2016) in turn suggests that the RPF strategy to promoting the establishment of military-owned enterprises serves the purpose of maintaining political stability, albeit not at the expense of allowing personal enrichment of military leaders but rather through the dispersal of rents within a centralised hierarchy and because military investment groups as leading economic actors contributes to strengthening the position of the Rwandan Defence Force (RDF) in society. In addition, it is fair to stress that the creation of military investment groups was also a strategic decision to stabilising a post conflict context as it contributed to the reintegration of thousands of former combatants into civil life.

Ultimately, an important trait is that a small, cohesive winning coalition means that a very limited number of actors need to be co-opted. In turn this would indicate that, even where examples of prebendal co-optation among the inner circle existed, the extent and scope of corruption can remain constrained, still representing more an exception than the norm, as compared to contexts where the winning coalition is larger and more unstable.

In contrast to the shrinking space for informality in the public sector, the research indicated that top-down, informal co-optation and control take place in relation to other political groups. As mentioned before, according to the 2003 Constitution political competition is open to all those forces who renounce ethnic divisionism and Genocide ideologies. Some sources argue that in practice these criteria are utilised to remove potentially serious power contenders from formally contesting elective office (Bertelsmann Stiftung 2018), which would constitute a form of informal control. On the other hand, formal opposition parties are in fact accepted because they are friendly to the RPF (or co-opted) and pose no serious political alternative. It could furthermore be said that the stated principles that provide for the inclusion of the loyal opposition through power sharing and consensus decision-making

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<http://country.eiu.com/article.aspx?articleid=1515861335&Country=Rwanda&topic=Politics&subtopic=Forecast&subsubtopic=Political+stability&u=1&pid=1856400569&oid=1856400569&uid=1> [accessed 1 May 2018]

in fact formalise co-optation into the RPF regime. Such mechanisms ensure these groups remain aligned with the ruling party while keeping them close and regulating their activities through the Forum of Parties, which are factors that facilitate control.

The evidence also puts forth that practices of top-down co-optation and control extend to the grassroots levels and are relevant vis-à-vis citizens. One obvious co-optation mechanism that compels individuals to align with the regime are the civic education initiatives (notably the *Ingando* and *Itorero* trainings) which co-opt citizens into the RPF ideology. These initiatives not only co-opt but also introduce a clear control dimension because the official discourse emphasising unity discourages contestation and because there is a lack of an ideological and political alternative to citizen participation and mobilisation.

That being said, an aspect of the civic education efforts of the RPF-led government that is particularly relevant to this research concerns attitudinal changes among Rwandan citizens in the sense that corruption is increasingly viewed in a negative light. In fact, the emphasis on an official discourse and public policies that draw from traditional practices and social norms that invoke the ideal of integrity can be understood as way of closing the gap between formal rules and informal practices that is conspicuous in other countries where levels of corruption are high. In this regard it can be said that top-down co-optation and control of elites and citizens in this instance favours better anti-corruption outcomes.

In other countries horizontal co-optation linking the government officials and the private sector involves a situation where political elites develop informal ties with certain business interests that help finance election campaigns and other politically motivated activities in exchange for the promotion of private interests in the public policy arena. In Rwanda, the ties of the ruling party with influential business consortia are formalised by means of direct ownership and a proactive involvement in influencing the investment climate. In this sense, co-optation is not horizontal but rather top-down since the state exercises its authority to steer those corporations with direct links to the RPF and to influence other private sector actors into making investment decisions aimed towards furthering the goals of the government. In addition, the success of the RPF business initiatives gives the party the revenues it needs to cover its campaigning costs during elections, rendering unnecessary the quest to acquire resources through corrupt transactions.

The final aspect of the discussion on informal governance practices refers to whether practices of camouflage are relevant in the Rwandan context. As mentioned before, across the public sector there is a high degree of transparency in recruitment, performance monitoring and enforcement of sanctions which restrict the opportunities to camouflage informal co-optation and control practices. If anything, the Rwandan government is known for demanding a lot from public officials in terms of ambitious expectations and targets in pursuit of the government's development goals. In this respect, a particular type of camouflage practices was documented in the research which raises questions about whether the tight top-down controls characteristic of the RPF regime might be sustainable in the long run. This informal practice, known as "gutekinika", refers to cases where public servants present modified reports or statistics on performance outcomes in order to meet the requirements of the hierarchies and to hide poor performance. For instance, in the education sector, "Gutekinika" often occurs in the statistics about school drop-outs since the number of children enrolled at schools determines not only the budget received, but also contributes to the *imihigo* performance goals of local government officials (Gatwa and Uwimbabazi 2016).

Deepening the analysis of informal practices further, the evidence from Rwanda brings up the question of whether a different type of camouflage might not be at play. As Purdeková (2011b p. 41) suggests,

the analysis of the politics of consensus in Rwanda points on the one hand to the dynamics of suppression of voice and certain opinions and, and on the other hand, to the dynamics of co-optation into agreement with the result is that dissent is extremely hard to ‘quantify’. This suggests the relevance of a kind of camouflage that is not associated with the informal redistribution of public resources, as is the case in other East African contexts, but rather one where autocratic rule is camouflaged behind a façade of power sharing and consensus decision-making.

In their analysis of transitions to good governance, Mungiu-Pippidi and Johnston have argued that political regimes and governance orders are not necessarily tightly linked (2017, 6). Some countries that have experienced dramatic improvements in democratic pluralism may nonetheless continue to be characterised by particularistic governance regimes. In this case, a transition to a governance order that produces positive control of corruption outcomes takes place by means of some less-than-democratic approaches, as was also the case in Georgia (Kupatadze 2018) and more recently in Tanzania (Sambaiga, Koechlin, and Baez-Camargo 2018).

This situation begs for a reconceptualisation of many preconceived assumptions that are often found in the literature on development, governance and anti-corruption, which has drawn extensively from findings of large N quantitative research that links all manner of good governance outcomes, particularly anti-corruption, to democratic regimes. The reality speak in favour of a more nuanced approach and illustrates the need to do away with assumptions of linear development trajectories that theories such as modernisation theory have mainstreamed. Based on the evidence, anti-corruption practitioners are hard pressed to consider the plausibility of substantive trade-offs among the various key political and developmental goals that share priority status in the international agenda.

The Rwandan case can teach important lessons in this regard. One first insight is that, when it comes to those anti-corruption reforms most frequently recommended by donors, the experience under RPF rule indeed shows that best practices are effective if there is strong political will to enforce them. While it is true that Rwanda has developed some innovative locally grown approaches, such as the Home Grown Solutions, as one senior officer expressed during an interview: “What we have done is what other people know but don’t do” (Int.072017.d).

It therefore is not surprising that many accounts of the failure of conventional anticorruption measures point the finger to the lack of political will. As the recount of the massive purges that took place during the early days after the end of the Genocide illustrate, in Rwanda this political will emerged out of a process whereby the ruling elites carved a political space that excluded the emergence of powerful corrupt individuals or lobbies who could represent dissenting voices. Thus, the effective exercise of political will is linked to a context of high state autonomy that maintains its viability through the enforcement of a model of state-society relations that favours conformity and acquiescence in the name of unity at the expense of pluralism and contestation. Admittedly, the particular traits observed in Rwanda are without a doubt, at least in part, a product of the tragic precedent of the Genocide, which justifiably provides a rationale to prioritise effectiveness, reconciliation and unity over contestation and dissent. Whether these trade-offs can remain viable in the long run in justifying the current dynamics of state-society relations in Rwanda remains an open question.

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