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Successes and limitations of a top-down approach to governance: the case of anti-corruption in Rwanda

ABSTRACT

Rwanda has made impressive progress since the 1994 genocide, which killed 800,000 in three months leaving the country shattered, and is now increasingly seen as a success story. Indeed, the country is peaceful and safe, it has experienced sustained economic growth and many socioeconomic indicators have improved, partly thanks to massive aid flows. These gains have been largely achieved through a top-down approach to development. A key feature of Rwanda's progress is considered to be good governance and particularly anti-corruption: in this field Rwanda has made remarkable gains and is now accounted as one of the least corrupt countries in Africa. This paper investigates the state of corruption in Rwanda and analyses its anti-corruption policies, questioning whether the good results gained so far through the top-down approach are sustainable in the long term if transparency, accountability and participation are not enhanced.

Introduction

A number of emerging countries in Sub Saharan Africa have shown sustained high growth rates in recent years and are increasingly seen as a development model and hope for all those countries struggling to eradicate poverty. Improved governance and political stability are often quoted as key reasons behind this economic success.

One of the best examples of this pattern is Rwanda, which has experienced high growth and impressive progress in many fields since the 1994 Genocide, which claimed around 800,000 lives and destroyed the country's economy and infrastructures. Such a progress has been largely achieved through a top-down approach to development and a strong leadership. One of the reasons most frequently cited among the elements which drove this recovery is good governance, usually understood primarily as the capacity to efficiently manage public institutions, development programs and financial resources (including massive influx of foreign aid). Perhaps the governance aspect most widely considered as a Rwandan success story is the control of corruption.

The objective of this paper is therefore to analyze Rwanda's approach to the fight against corruption as a case study of the successes and challenges of the country's top-down approach.

Corruption

Corruption is defined by Transparency International, the civil society organisation leading the fight against graft, as the abuse of entrusted power for private gain; similarly, the World Bank defines it as the abuse of public office for private gain. This paper uses the term "corruption" in its widest and most general meaning, thus encompassing all forms of corruption.

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Corruption has attracted increasing attention in the last few years and has been the object of academic research as well as of the research and advocacy activities of international organisations, NGOs and practitioners in the field of development cooperation. There is now wide agreement that corruption has a number of negative consequences including hindering growth, increasing the cost of doing business, discouraging investments, worsening governance, reducing the quality of services and decreasing the citizens' level of trust in institutions.

Corruption and anti-corruption in Rwanda

Rwanda is a small landlocked country located in central-Eastern Africa. A former Belgian colony, its population is estimated at around 11 million spread over 26,338 sq km, making it Africa's most densely populated country. Its GDP is estimated at \$13.86 billion while its GDP per capita is estimated at \$1,400¹. A significant share of the population still lives in poverty and the UNDP Human Development Index 2011 ranks Rwanda 166th out of 187 countries.

Since the 1994 Genocide, which killed at least 800,000 ethnic Tutsis and moderate Hutus, Rwanda has made remarkable progress in many fields². The country is at peace and is considered "among the most stable on the continent"³. Its GDP has registered an average annual growth rate of 7.6% from 2000 to 2010 and hit 8.6% in 2011. Extreme poverty is reported to have decreased dramatically⁴. The World Bank Doing Business reports indicate that Rwanda improved its world ranking by over 100 positions from 150th in 2008 to 45th in 2012. A number of socio-economic indicators, including school enrolment, life expectancy, child mortality and prevalence of HIV, have significantly improved and the Human Development Index has reflected such improvements⁵. An important contribution to these achievements has been made by foreign aid, which has been injected in large quantities by donors since the aftermath of the genocide making Rwanda a so-called "aid darling"⁶. Overall, thanks to its performance of recent years, many observers consider Rwanda a clear success story⁷.

One of the key reasons behind Rwanda's improvement of the last few years, as well as one of the elements which explain donors' willingness to provide high aid volumes, is considered to be governance⁸: the Government of Rwanda is commended for its capacity to manage resources efficiently and deliver results. Perhaps the most celebrated feature of this concept of governance is the control of corruption and the country is largely praised for its commitment to fight against graft and for the success that such a fight has reaped.

¹ 2011 estimate at purchasing power parity in 2011 US dollars. Source: CIA World Factbook.

² A note of caution is needed here. As many indicators showing progress are based on surveys carried out in the country, it must be noted that some analysts are skeptical on the reliability of the findings, given the perceived "high degree of self-censorship among the Rwandan peasant population", Bert Ingelaere, *Do we understand life after genocide?*, 2010, page 53.

³ World Bank's *2009-12 Country Assistance Strategy* for Rwanda.

⁴ According to Government figures, in 2011, 44.9% of the population was under the poverty line (down from 56.9% in 2005/6) and 24.1% under the extreme poverty line (down from 37% in 2005/6). *Enquête Intégrale sur les Conditions de Vie des ménages 3 - EICV 3*, 2011.

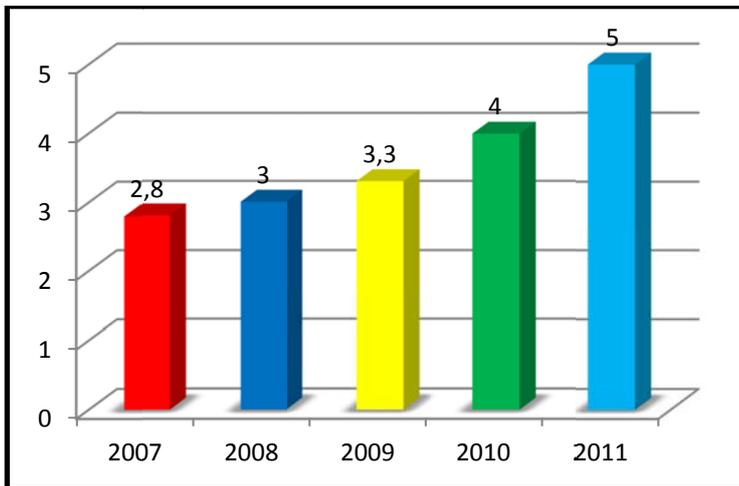
⁵ Rwanda's HDI was 0.217 in the year 1995, 0.313 in 2000 and 0.429 in 2011.

⁶ In 2010 official aid to Rwanda reached over USD 1 billion, accounting for around half of the country's national budget, www.oecd.org/dac/aidstatistics/1878421.gif

⁷ Among other, the World Bank and development experts such as Jeffrey Sachs and Paul Collier, as well as personalities such as Bill Clinton and Tony Blair.

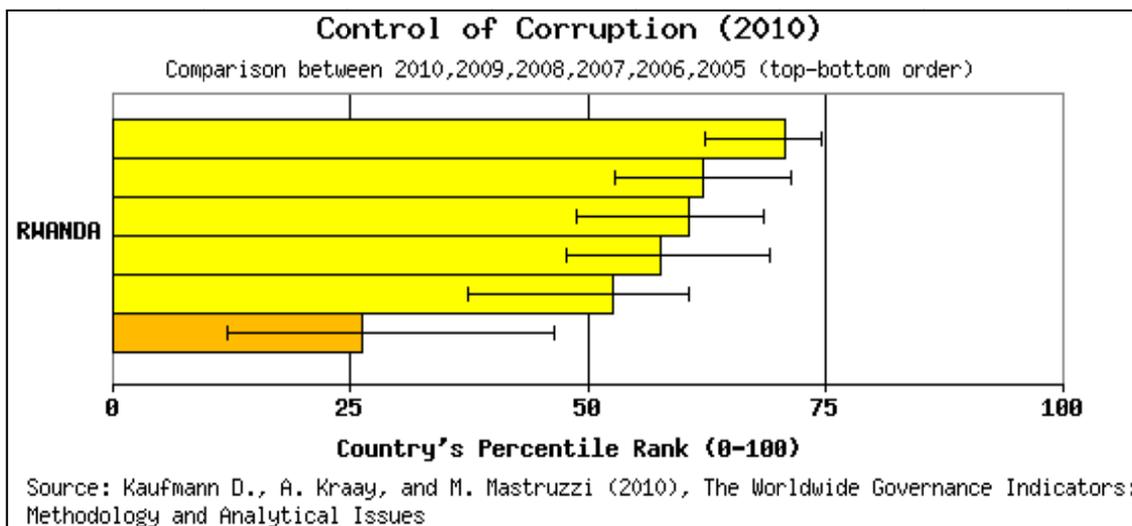
⁸ Governance is a complex concept. The World Bank defines it as "the way power is exercised through a country's economic, political and social institutions". UNDP defined it as "the exercise of economic, political and administrative authority in the management of a country's affairs at all levels". The Institute of Governance notes that most definitions "rest on three dimensions: authority, decision-making and accountability"; observers who praise Rwanda's good governance usually place more emphasis on the first two dimensions.

While the majority of analysts, international organisations and business people now consider Rwanda a success story in the fight against corruption, the country's progress is perhaps best explained by its performance in Transparency International's Corruption Perceptions Index (CPI)⁹.



Rank	Country	Score
32	Botswana	6.1
41	Cape Verde	5.5
46	Mauritius	5.1
49	Rwanda	5.0
50	Seychelles	4.8

The table shows how Rwanda has made quick and steady progress in the last five years, improving its score from 2.8 to 5; the country is now (CPI 2011) the fourth best performer in Africa and 49th worldwide (out of 183). The World Bank's control of corruption index¹⁰ confirms this positive trend and shows a steep improvement from 2005 to 2010, as shown below.



⁹ Compiled annually, the CPI ranks countries based on how corrupt their public sector is perceived to be. It is a composite index, a combination of polls drawing on data from a variety of institutions; countries score from 0 (very corrupt) to 10 (very clean).

¹⁰ This index is based on several data sources reporting the perceptions of survey respondents and experts

A key reason behind this dramatic progress is what in Rwanda is commonly referred to as the Government's "political will" to fight corruption. This has been translated into the establishment of a number of new laws and institutions. On the legal side, the key document is the law n° 23/2003 on prevention and repression of corruption and related offences, but a number of other laws include commitments to fight against corruption, particularly the penal code. On the institutional side, the Government established several bodies including the Office of the Ombudsman, the Rwanda Public Procurement Authority (RPPA), the Office of the Auditor General, the Anti-Corruption Unit in the Rwanda Revenue Authority and the Public Procurement Appeals Commission. Moreover, a number of high authorities of the country must disclose their assets: in 2011 the Public Account Committee was established within the Parliament and on 13th June 2012 the Government approved the National Policy to fight against corruption. In addition, both politicians and civil servants have been prosecuted when allegations of corruption were brought against them, including several cases of high-ranking officials being forced to resign, dismissed or prosecuted¹¹. Finally, Government institutions have launched sensitization campaigns to raise the population's awareness on the negative consequences of corruption.

In spite of the political will, of the appropriate legal and institutional framework and of the clear improvements achieved, corruption in Rwanda – like anywhere else – is obviously still present. Petty corruption is far from eradicated and studies¹² show that the police and local authorities tend to be the institutions most exposed, though they have all showed progress in the last few years and are comparatively much less affected than their counterparts in the East African region¹³. Service delivery at decentralised level has also proved to be at risk¹⁴. Forms of non-monetary corruption are not unknown either¹⁵. As per grand corruption, little research has been carried out so far, but both anecdotal evidence and some initial studies¹⁶ suggest that procurement is affected by significant levels of bribery and fraud, particularly at the local level, while the fact that some important companies have close links with the ruling party¹⁷ might pose a potential risk of collusion. Some corruption is also found in the judiciary¹⁸. On the other hand, embezzlement of public funds seems to be quite uncommon and taxpayers' money as well as foreign aid are considered to be generally well managed and to usually reach the beneficiaries as intended¹⁹. Furthermore, a challenge persists in terms of reporting, as very few victims of corruption report the occurrence to relevant institutions²⁰.

In conclusion, then, it is undeniable that Rwanda has made enormous progress in the fight against corruption and that it performs significantly better than most African countries. However, challenges

¹¹ The latest being the Permanent Secretary of the Ministry for Local Government, Cyrille Turatsinze, who was arrested on 21st July 2012 following allegations that he solicited a bribe from a businessman, but was later acquitted (see www.newtimes.co.rw/news/index.php?i=15081&a=56991). However, some analysts believe that such cases might also serve the purpose of "removing personnel who are out of line politically" (*Bertelsmann, Transformation Index 2012 for Rwanda*, page 26).

¹² Transparency International Rwanda (TI-Rw)'s *Rwanda Bribery Index* and Transparency International's *East Africa Bribery Index*. All TI-Rw's reports are available on www.tirwanda.org.

¹³ According to the *East Africa Bribery Index 2012*, Uganda registers the highest bribery levels with a value of 40.7%, followed by Tanzania with 39.1%, Kenya with 29.5%, Burundi with 18.8% and Rwanda with 2.5%.

¹⁴ Findings based on the accountability projects that TI-Rw carried out with suggestion boxes in five districts.

¹⁵ TI-Rw's report on *Gender-based corruption in the work place* (2011) showed that 5% of Rwandans have experienced gender-based corruption while almost 20% know someone who has been a victim.

¹⁶ TI-Rw's Situation Analysis on public contracts in the infrastructure sector.

¹⁷ David Booth and Frederick Golooba-Mutebi, *Developmental Patrimonialism? The Case of Rwanda*, APPP Working Paper no 16, 2012. Nilgün Gökgür, *Rwanda's ruling party-owned enterprises: Do they enhance or impede development?*, IOB Discussion Papers, no 3, 2012.

¹⁸ TI-Rw, *Research on the process of the execution of court judgments*, 2011.

¹⁹ See, among others, TI-Rw's *public expenditure tracking survey on basic education*, 2012.

²⁰ Such as TI-Rw's *Rwanda Bribery Index and Gender-based corruption in the work place*, 2011.

remain as bribery is still present, non-monetary forms of corruption seem to be well established and reporting is very low.

Control of corruption in a context of little accountability?

Similarly to the strategies used by the Government in most socio-economic sectors, the fight against corruption has also been led by the highest institutions of the country and has followed a top-down approach: the establishment of new laws and institutions, the sensitisation campaigns and public calls for integrity have mostly come from the highest levels of Government, including from the President himself²¹. While this is positive and extremely important, as it would be impossible to fight against corruption without a commitment by the top level of leadership, if improvements are to be sustained in the long term and beyond the current generation of leaders, then accountability structures need to be strengthened and transparency in the management of public affairs enhanced.

Indeed, research has shown that accountability, transparency and citizen participation are key elements to sustain the control of corruption. In these fields, however, Rwanda tends to perform significantly worse than it does in the fight against corruption.

Starting with Transparency International's CPI itself, a composite aggregate index which draws on other surveys and studies, it is interesting to note that, in the case of the sources used for Rwanda, the highest scores are given by the sources which mostly look at the likeliness of firms to make undocumented extra payments or bribes, while the sources which look more at transparency and accountability give Rwanda significantly lower scores²².

Other respected international indices seem to confirm these findings. The 2011 edition of the Mo Ibrahim Index²³, probably Africa's most important assessment on governance, assesses accountability and transparency together with anti-corruption, making it impossible to separate the two aspects, however it is interesting to see that while some of Rwanda's socio-economic sub-indicators are evaluated as very high, participation is scored very low.

The 2011 Rwanda scorecard of the Millennium Challenge Corporation, a US Government-sponsored initiative, could not be any clearer: indeed, control of corruption is the second-best indicator of the scorecard, while voice and accountability is the worst performing indicator²⁴.

The 2010 World Bank's World Governance Indicators are along the same lines: while on control of corruption Rwanda has a score of 70.8, on voice and accountability it has a score of 10.9²⁵.

²¹ Accountability in Rwanda is often "upwards" towards the hierarchical superior rather than "downwards" towards citizens. Bert Ingelaere, *The Ruler's drum and the people's shout: accountability and representation on Rwanda's hills*, in "Remaking Rwanda - State building and human rights after mass violence", Steven J. Stern, Scott Strauss, 2011.

²² World Economic Forum executive opinion surveys 2010 and 2011 give Rwanda a score of 7.4. The World Bank Country Performance and Institutional Assessment, the Bertelsmann Transformation Index and the African Development Bank Country Performance Rating give Rwanda 3.4, 3.5 and 3.7 respectively (on a scale from 0 to 10, where 10 indicates the best performance).

²³ The 2011 Mo Ibrahim Index ranks Rwanda at the middle of its ranking. 25th out of 53 countries, with a score of 52 (on a scale where 1 is the worst and 100 is the best) and no significant improvement in the last five years. While indicators such health, gender and the rural sector score very high (78.9, 73.7 and 70.3 respectively), others are lagging behind. Accountability and transparency are assessed together with anti-corruption with a score of 58.9, while participation is scored at only 16.8.

²⁴ For each indicator, MCC scorecard gives the country's score and percentile ranking in its income peer group (0% being worst and 100% being best). The country performance is evaluated relative to the peer group median. In the 2011 Rwanda scorecard, "control of corruption" has a percentile ranking relative to its income group of 98% while "voice and accountability" has a relative score of 23%.

²⁵ Where 0 is the lowest and 100 the highest rank.

What all these assessments point to is that a country which is efficient at controlling corruption can at the same time have extremely weak accountability bodies. Indeed in Rwanda the media, civil society and the parliament are generally considered as playing a limited role.

The media played a tragic role in the lead up to the 1994 Genocide, when the then-Government used the infamous *Radio Télévision Mille Collines* (RTLM) as a tool to spread ethnic hatred and incite violence. The consequence is that, 18 years after, the Government is still reluctant to grant press freedom and to accept open dissent in the media, as consistently certified by a wide range of observers such as Reporters Without Borders²⁶ and Mo Ibrahim Index²⁷. On the other hand, media practitioners themselves sometimes lack professionalism and integrity²⁸. Whether it is more the Government or journalists who should be blamed for the situation is not the object of this paper: what is important here is that Rwandan media do not play a strong scrutiny and accountability role.

Another key actor to hold a government accountable is civil society. On the one hand the Government, despite granting formal registration to most national and foreign NGOs, is reluctant to consider civil society organisations (CSOs) as full political actors, tending to see them as mere service providers, and allows limited space for them to question and challenge public policies and programs. On the other hand, CSOs are generally weak, highly dependent on foreign donors and have little capacity. They also generally have limited independence from the political power²⁹ and the few independent CSOs tend to apply self-censorship³⁰. Most local NGOs see themselves as partners of the Government rather than counterweight or watchdogs. As a result, not only “the State is never challenged by CSOs” but overall “Rwandan civil society’s impact on community living conditions is minimal”³¹. Again, whether it is mostly the Government compressing CSOs’ space or NGOs being weak and passive, it is a fact that a vibrant civil society has yet to develop in Rwanda.

The Parliament is another institution which can play an important role to check and balance the Government’s power. In Rwanda, the Parliament is dominated by the ruling party, the Rwandan Patriotic Front (RPF), which won the last parliamentary elections in 2008 with 78% of votes. The other parties represented in the Chamber and Senate, as well as the members designated by special groups or bodies³², are more allies than opponents; all parties (except those which were not allowed to register) are constitutionally mandated to be members of a consultative forum, which provides a framework to discuss and then agree on political proposals. While the Government claims that Rwanda’s “consensual democracy” is a successful model to unify the country, avoid conflicts and agree on policies, the absence of a formal opposition weakens the Parliament’s potential as accountability institution.

Rwanda’s institutional framework also includes an Ombudsman: an office whose presence is positive in itself and which is playing a commendable and growing role in sensitising the population about corruption. However, the fact that for many years the Chief Ombudsman’s position was held

²⁶ The press freedom index 2011-2012 scores Rwanda 156th out of 179.

²⁷ The two press freedom indicators rank Rwanda 48th and 50th out of 52 African countries.

²⁸ A study on the state of media development in Rwanda, commissioned in 2011 by the Media High Council, a governmental body, and UNDP, highlights low levels of professionalism aside limited media freedom.

²⁹ Norah Mallaney, www.globalintegrity.org/node/564. A similar analysis in Paul Gready, *Beyond ‘you’re with us or against us’ - Civil society and policymaking in post-genocide Rwanda*, in “Remaking Rwanda”, Steven J. Stern, Scott Strauss, cit., 2011.

³⁰ Bertelsmann Transformation Index (BTI) 2012 for Rwanda, page 23.

³¹ The state of civil society in Rwanda in *National development - Civil Society Index Rwanda Report*, 2011, drafted by Civicus with CCOAIB, a local CSO umbrella.

³² On Rwanda’s electoral system and Parliament composition: www.electionguide.org/country.php?ID=180.

by a “top ideologue” and founder of the ruling party³³ might lead to doubt about the full independence of the institution.

Finally, aside from the limited role played by the accountability bodies just mentioned, the concepts of transparency and citizen participation are yet to fully develop in Rwanda. In spite of efforts to disclose more information about the authorities and their activities, the transparency of key issues remains limited: the Open Budget Index 2010, developed by the International Budget Partnership in cooperation with a local NGO, gives Rwanda a score of 11 (on a scale from 1 to 100 where 100 is the best score), noting that “the Government provides the public with scant information on the central Government’s budget and financial activities” and that “this makes it virtually impossible for citizens to hold the Government accountable for its management of the public’s money”. When it comes to citizen participation, this is often “directed and controlled” by the authorities³⁴ and many observers³⁵ point to a certain passivity of ordinary citizens, who are reluctant to engage in the public sphere.

Conclusion: successes and limitations of a top-down approach to anti-corruption

This paper attempted to analyse the state of corruption and anti-corruption in Rwanda as a case study of the top-down approach generally used by the country’s government in most social, economic and political sectors. It has shown that such approach has indeed brought to good results in the control of corruption while at the same time it has weakened the accountability bodies of the country and has not enhanced transparency nor citizen participation.

According to most anti-corruption studies, however, accountability, transparency and participation are precisely some of the key “weapons” to fight against corruption and strengthening them is widely considered as the best way to fight against graft³⁶. More broadly, many researchers have shown a strong correlation between democracy and corruption: scholars have been able to demonstrate that “democracy reduces corruption”³⁷ or, in other words, that political democratisation is associated with lower levels of corruption. Interestingly, several researchers have shown that the relationship between democracy and corruption is non-linear: while opening up from an authoritarian regime often results in a short-term increase in corruption, in the long run a consolidated democracy is more likely to reduce corruption levels³⁸. Intuitively, a look at the CPI ranking confirms this finding, as all the best performing countries are indeed consolidated democracies, with the notable exception of Singapore, which – perhaps unsurprisingly – Rwandan authorities often quote as their model.

³³ Interview with former Chief Ombudsman Tito Rutaremara on “The Chronicle newspaper”, 9 and 15 January 2012. See www.rwandagateway.org/spip.php?article1334 and www.rwandagateway.org/spip.php?article1341.

³⁴ BTI 2012, page 22-23.

³⁵ The Mo Ibrahim Index gives Rwanda’s political participation a score of only 21.4 out of 100.

³⁶ See among others Transparency International, *Good practice in strengthening transparency, participation, accountability and integrity*, 2011.

³⁷ Ivar Kolstad and Arne Wiig, *Does democracy reduce corruption?*, 2011.

³⁸ Charles H. Blake and Christopher G. Martin, *The dynamics of political corruption: re-examining the influence of democracy*, Routledge, 2006; Alessandro Pellegata, *Constraining political corruption: an empirical analysis of the impact of democracy*, Routledge, 2012.

Given that lower levels of corruption are associated with more investments, higher quality services, better value for money and ultimately contribute to economic growth, there is little doubt that Rwanda will continue to pursue the fight against corruption. The country has made quick and substantial progress in this fight thanks to a top-down approach and strong leadership by the Government. However, if the gains are to be sustained in the long run, increasing transparency, accountability and citizen participation should be part of the country's anti-corruption strategy and of its broader development strategy. Only by doing so, Rwanda would become a model for long-term, sustainable control of corruption and ultimately an example of good governance.

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