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Home-grown and Grassroots Based Strategies for Determining Inequality towards Policy Action:

Rwanda's Ubudehe Approach in Perspective

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## Abstract

Survey based tools for determining inequality in Africa south of the Sahara has been critiqued for being too expensive, and oftentimes unsuitable to the realities of the region. The need for a reliable alternative for determining wealth distribution, from which data can be generated for policy action, has been a challenge. Rwanda, however, using the Ubudehe community based practice has been able to determine household inequality across the nation. Data generated through Ubudehe has been used in policy making, two of which are in the key health and education sectors. Using both primary and secondary methods, the study explores the successes, challenges and opportunities of Ubudehe generated inequality data in policy formulation and implementation.

# Home-grown and Grassroots Based Strategies for Determining Inequality towards Policy Action: Rwanda's Ubudehe Approach in Perspective

## **Introduction**

Survey methods, largely applied in determining household inequality for policy action across Africa south of the Sahara, although quite useful, often demands much more resources than are at the disposal of several countries within that region. Surveys are also not often suitable to the social and cultural dynamics of several African communities. The challenge for African researchers and policy makers has been how to establish a home-grown and grassroots based system that can effectively determine household inequality, from which data generated can be used for policy making and implementation. Rwanda, using the Ubudehe community based practice has been able to generate inequality data, which the government considers suitable enough for effective and far reaching policy action. Under Rwanda's Ubudehe system, communities come together at the smallest village level (Umudugudu) - comprising of 100 – 150 households - to place all households at pre-determined socio-economic categories.

Homegrown and grassroots based approaches have been severally advanced as foundational for successful discussions on community, and by extension, national development (Zewde, 2010; Wunsch, 2000; Dia, 1996). Models such as the Participatory Rural Appraisal (PRA) and Rapid Rural Appraisal (RRA) have been advanced as strategies for working together with rural population in crafting their development trajectory. Research strongly point to the fact that indigenous institutions and homegrown systems and processes do not only form strong foundations for development strategies, but hold great potentials to act as catalysts in fostering innovation (Haller, 2001; Chamlee, 1993). In this light, the paper set out to determine to what extent Rwanda's Ubudehe has been successful in capturing inequality in Rwanda and in providing reliable set of data for informing policy action.

To capture in-depth, both the steps leading to Ubudehe influenced policy action, and the outcome of such policies, government documents are analyzed, in addition to interviews conducted with affected citizens, and staff of concerned government agencies. It is anticipated

that research findings will be beneficial to governments in search of viable home-grown alternatives to survey methods generated data.

The study begins by establishing what inequality means and the different ways of determining inequality in Africa, including the issues and challenges that constrain data collection for inequality measurement. Rwanda's Ubudehe approach is thereafter explained including its practice and system of categorization. What then follows is how Ubudehe is used in health and higher education policy action. Before the concluding paragraph, lessons from Ubudehe and policy making in Rwanda are discussed.

## **1. Determining Inequality**

Inequality addresses differences in standards of living across a given population. Economic inequality has been defined by Ray (1998) as the “fundamental disparity that permits one individual certain material choices, while denying another individual those very same choices.” Inequality implies a situation where different people are granted access to different things in differing degrees. Inequality is “often considered in terms of income or consumption, but [is] equally applicable to other dimensions of living standards that show a continuous pattern of variation, such as the level of education or the degree of malnutrition” (Aran, Demir, Sarica, & Yazici, 2008). There are different dimensions of inequality and these include income or consumption, assets, access to health and education, power, poverty etc. These dimensions of inequality, distinct as they may appear are almost often interrelated in terms of causes, manifestations and consequences. Inequality in health services, for instance, may be as a result of income inequality and would often result in unequal access to education due to high drop-out rate as a result of ill-health or even unwanted pregnancy.

### **1.2.Determining Inequality in Africa south of the Sahara**

Inequality is determined based on data gathered from a given population. Data collection in developing countries can be a difficult exercise; shortage of trained manpower, inadequate financial and other resources contribute to making data collection below par, in comparison to the developed world (Aran, Demir, Sarica, & Yazici, 2008). For much of Africa south of the Sahara, collecting data for measuring inequality is a hugely expensive, labor intensive and

sometimes life-threatening exercise<sup>1</sup>. At the end of the exercise, collected data are often inadequate as a tool for policy action.

Surveys are usually used in data collection to determine inequality and surveys come with numerous challenges in places like sub-Saharan Africa such as:

- In villages where many people can neither read nor write, filling questionnaires even in local languages can be a daunting task.
- Surveys are limited in the ability to obtain information that is not directly connected with the respondent's characteristics.
- Surveys are time consuming and very expensive.
- Surveys can be misunderstood by respondents.
- Surveys omit poor and vulnerable population such as those living on the streets or the weak and infirm.
- Rate of non-response can be quite high and it is possible that the most vulnerable are the ones who cannot respond.
- Several African countries do not conduct regular census, and this makes it difficult to conduct certain types of multi-stage area stratified probability sampling (Adam, 2007).
- Poor infrastructure such as road networks hinders access to remote areas for data collection (Mluleki, 2011) .
- Inadequate or absence of maps at the lowest administrative unit makes it difficult to obtain clear sampling points.

## **2. The Rwanda Context**

Over 90% of Rwanda's mostly agrarian population lives in rural areas. In 2003, World Bank's World Development Indicators stated that "approximately 85% of [Rwanda's] population lives on less than two dollars a day, and 36% lives on less than one dollar a day; of the poor, 96% live in rural areas and life expectancy is 49 years" (World Bank, 2003, p. 23). Ten years later in 2013, the same report would note an improvement in life expectancy from 49 – 62 years, with the percentage of poor people pegged at 44.5% (World Bank, 2013). Aids represents up to 40%

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<sup>1</sup> In Mozambique, for instance, data collecting agents in some instances have to trek for two days from the last motorable road until the next village.

of Rwanda's national budget, with 65% of aid spent by government agencies (Oxfam, 2013). Rwanda is remarkable for the last genocide of the 20<sup>th</sup> century, in which over 1 million citizens were killed. Inequality in the distribution of wealth has been established as being a central cause of the genocide (Mamdani, 2002). 20 years after the genocide, there remain clear inequalities in the distribution of wealth in Rwanda, as, for instance, "educational achievements are still related to age, gender, residence and socio-economic status" (Oxfam, 2013, p. 11).

## **2.1. The Ubudehe Approach**

Colonial and pre-genocide Rwanda operated a strongly centralized and authoritarian system of government. Excluded from decision making, citizens imbibed a culture of silence and forced obedience. The absence of citizen's voice in governance has been linked to the massive death and destruction orchestrated by the genocidal regime of 1994 (Mamdani, 2002). One of the immediate challenges for Rwanda's post genocide administration, therefore, was how to re-introduce a culture of citizen participation in governance - present in pre-colonial times - in modern day democracy. Ubudehe came up as one of the methods.

Ubudehe's history date back to ancient Rwanda and is a term that refers to the practice of communities collectively digging farmlands to loosen the soil prior to the commencement of the rainy and planting seasons. Regardless of the number of people in a household vis-à-vis the size of the farm, the united nature of Ubudehe work ensured that all farmlands within the community were jointly cultivated prior to the planting season; the poor and vulnerable members of society such as childless aged persons, the infirm and widows were well taken care of as a result of Ubudehe (Rwanda Governance Board, 2013).

Ubudehe was re-introduced into the present day consciousness of Rwandans in 2009. Ubudehe came about as part of government efforts to decentralize and bring decision-making and services as close as possible to the people, and to create the necessary climate for local communities to take decisions regarding their development (Rwanda Governance Board, 2013, p. 58). According to the Ubudehe concept note, "the aim of the Ubudehe process as it has been designed in Rwanda is to build on the positive aspects of [Rwanda's] history and complement it with modern participatory techniques, which have proven their worth in community development" (MINALOC, 2009, p. 3).

Ubudehe's basic functions begins at the lowest level of administration, the village (umudugudu) which was created in 2006, when Rwandan government reforms sought to bring governance closer to the people. A total of 14, 837 villages were created throughout the country with each village consisting of a cluster of between 100 – 150 households. The current administrative outlay of Rwanda can be seen from the table below:

Government of Rwanda : Structure of Administration 2006 – Present	
<b>Territory/Division</b>	<b>Numbers</b>
Government	1
Provinces (including Kigali)	5
Districts	30
Sectors	416
Cellules	2,148
Villages (Umudugudu)	14,837
Source: Ministry of Local Government (MINALOC, 2008, p. 8)	

By targeting communities at the village level, Ubudehe penetrates right down to the lowest decentralized structure of local government. The ultimate aim is that Ubudehe becomes a tool of bottom-up planning and policy making (Rwanda Governance Board, 2013).

## **2.2. Practice of Ubudehe**

At the practical level, Ubudehe consists of eleven methodological stages implemented at the village level. All the Ubudehe stages will be briefly explained below, but the third stage, which has direct bearing to inequality determination, will be treated in more detail afterward.

### **Eleven Ubudehe stages**

1. The determination of poverty among members, according to community perception
2. Identification of the causes and consequences of poverty by community members
3. Placement of all community residents on a social and economic categorization set provided by the Ministry of Local government (MINALOC)



4. Construction of a social map of the village
5. Identification of all common challenges facing the village, followed by prioritization
6. Formulation of a collective action plan for tackling the most pressing of community challenges
7. Election of committee members tasked with implementation, monitoring and evaluation
8. Testing of the relevance of identified challenge and analysis of selected strategy for tackling challenge
9. Signing off of the community strategy by community members and request for funds from the closest government administrative unit
10. Opening of bank account and funds transfer
11. Repetition of cycles and learning from mistakes (MINALOC, 2002) (MINECOFIN, 2003) (MINALOC, 2006)

### **2.3. The Third Ubudehe stage and Determining Inequality:**

The third stage of Ubudehe requires communities to categorize all residents based on a set of economic groupings provided by the Ministry of Local government. According to the Ubudehe manual, trained facilitators were dispatched to assist community members in placing themselves in different economic categories. In several town hall meeting, communities sit together to determine which category each household belongs to and compiles a data set of same. The table below provides the pre-set categories within which all residents of a village must be placed with their consent, and in agreement with the rest of the community.

<b>Ubudehe: Poverty Characteristics of Households in Rwanda</b>	
<b>Category Name and Number</b>	<b>Characteristics</b>
Umitindi Nyakuja	Destitute. Need to beg to survive. Have no land or livestock. Lack adequate shelter, clothing and food. Fall sick often and have no access to medical care. Children are malnourished and they cannot afford to send them to school. Not respected. Discriminated against.
Umutindi (the very poor)	The main difference between the Umutindi and

	the Umutindi Nyakujya is that this group is physically capable of working on land owned by others, although they themselves have either no land, or very small landholding, and no livestock. They suffer from low harvests and also have no access to health care or schooling.
Umukene (the poor)	These households have some land and housing. They live on their own labor and produce, though they have no savings, they can eat, even if the food is not very nutritious. However they do not have a surplus to sell in the market their children do not always go to school and they often have access to healthcare.
Umukene Wifashije (the resourceful poor)	This group shares many of the characteristics of the Umukene, but in addition, they have small ruminants and their children go to primary school. They have a few animals and petty income to satisfy few other needs.
Umukungu (the food rich)	This group has larger land holdings with fertile soil and enough to eat. They have livestock, often have paid jobs and can access health care. They employ others on own farms and at times have access to paid employment. They have some savings.
Umukire (the money rich)	This group has land and livestock and often has salaried jobs. They have good housing, often own a vehicle, and have enough money to lend and to get credit from the bank. Many migrate to urban centers.
Source : Rwanda Ministry of Finance and Economic Planning (MINECOFIN, 2002)	

Until 2010, data generated through the Ubudehe based categorization of different communities across Rwanda were located at the village levels. It was not easily accessible by the national and lower level administrative units, making its use for policy making a serious challenge. By June 2010, however, the Ministry of Local Government and the Ministry of Health partnered to develop a national Ubudehe data base (Kayira, 2011). The data base holds information gathered from the villages about each and every household in the country and their social and economic category. The database is accessible to the sector, district, province and central administrative units for use in their administrative duties. Data is constantly updated as economic situations of households change. According to Kayira Fidele, an Ubudehe Community Based Programme Coordinator,

this database will allow every social protection program to use a common targeting approach, access a common database with socio economic information about each household, facilitate information sharing among programs and beneficiaries and avoid overlapping interventions. It will improve coordination and maximize the impact of interventions in the social protection sector. This initiative is highly supported by development partners and other ministries who may also be interested to use it for their own programs. (Kayira, 2011)

### **3.0. Ubudehe data for policy action**

Ubudehe based inequality categorization has been used by government to make several policy decisions (Kayira, 2011). Two of the policies, adjudged to be of very high impact, which will be analyzed in this study are the Community Based Health Insurance scheme (CBHI), which uses the Ubudehe categorization to determine annual subscription payment, and the higher education bursary policy, where eligibility is determined according to Ubudehe categorization.

#### **3.1. Community Based Health Insurance Policy**

Rwanda's Community Based Health Insurance Scheme (CBHI) widely known as Mutuelle de Sante among the population, is a nationwide health insurance system initiated by the government of Rwanda in 1999. CBHI was initially run as a pilot project in three districts, but successes recorded led to a nationwide roll-out after eight years of operation. The law establishing CBHI as an independent and functional arm of the government of Rwanda (through the Ministry of Health) was established in 2007 (MOH, 2004, p. 8). From a low 7% citizen sign-up in 2003,

Rwanda's CBHI recorded a high 92% sign-up in 2012. The successes recorded under CBHI have been linked to the Ubudehe categorization, which the system adopted in 2011.

### **3.1.2. CBHI and Ubudehe Categorization**

The stated general objective of the CBHI in Rwanda is to assist grassroots communities and districts to have access to affordable health insurance thereby improving access to health care, especially for poor and vulnerable households (MOH, 2010, p. 10; MOH, 2004, p. 9). CBHI covers all three levels of health service provisions; health centers, district hospitals and referral hospitals (MOH, 2010, p. 10). Contributions to CBHI are made on an annual basis and enrolment is based at the family level. What this means is that the decision to enroll in CBHI rests on the head of a household and once this decision is taken, all family members have to be enrolled. Although enrolment is by family, fees are calculated individually.

From inception of CBHI in Rwanda until 2011, an annual flat subscription fee of Rwf 1,000 (ca EUR 1.25) was required per individual, per annum. A co-payment of Rwf 200 (ca EUR 0.25) is required per visit for services covering vaccination, consultation, surgery, dental care, hospitalization, pre and post-natal examinations, radiology and laboratory examinations, prosthesis, ambulance fees and pharmaceutical services (MOH, 2004).

The flat payment system of the CBHI soon came under heavy criticism for aggravating inequality. Various studies undertaken pointed to the fact that rather than the flat rate payment system, a “contribution system based on the relative revenues of members will increase equity and strengthen the financing of the CBHI system” (MOH, 2010). For this reason, in July 2011, the Ministry of Health changed the annual subscription fee from a flat rate to stratified contributions using the Ubudehe categories. What this means is that for each subscribed member, the fee to be paid is calculated using the Ubudehe category in which he or his household has been placed by the community.

The stratified Ubudehe based premium system brought with it increase in subscription fees in order to ensure sustainability of the CBHI. Under the new CBHI, able-bodied individuals in categories one and two pay an annual contribution of Rwf 2,000 (ca EUR 2.50). Government and development partners/NGOs usually pay for the very poor and vulnerable individuals in the first category. For individuals and families in the third and fourth categories, annual subscription

fee is Rwf 3,000 (ca. EUR 3.75) per year, while a fee of Rwf 7,000 (ca 8.75) is to be paid annually by those in the two wealthiest categories (MOH, 2010).

According to the law of 2007 establishing Ubudehe, health insurance coverage is compulsory for all Rwandans. Therefore, one of the major reasons for categorizing CBHI payments according to the Ubudehe approach is to cover the most vulnerable, and to identify indigents. “In 2011/12, 24.8% of the population was placed into CBHI category 1, and 65.9% and 0.04% were placed into categories 2 and 3 respectively. For the first year of implementation (July 2011 – June 2012) CBHI achieved an enrollment rate of 90.7%” (MOH, 2012, p. 12). The reason for this success is because with the Ubudehe categorization, more citizens could afford to pay the annual premium and also know that their economic capacity was recognized in the decision concerning the premium amount. Unlike previously, NGOs, development partners and philanthropic individuals were also able to easily identify the most vulnerable citizens in need of assistance.

### **3.3. Education policy**

In Rwanda, higher education assumed priority in government policy at the end of the genocide in 1994. This can be gleaned from the fact that from 1963 when the National University of Rwanda was established and 1994, a little less than 2,000 students graduated from the only university in the country (MINEDUC, 2008, p. 4). Post-genocide government of Rwanda, however, in recognition of the crucial burden placed on higher education as an enabler of social and economic advancement placed much emphasis on the development of higher education. By 2012, 76, 629 students were registered in the different public universities in Rwanda (McWha, 2013). Thousands more are registered in the numerous private universities that came into being as a result of the liberalization of that sector by the post genocide government of Rwanda. Private higher learning institutions cater mostly for students in employment who prefer part time studies, or students who could not make high enough marks to gain admission into government universities (MINEDUC, 2008, p. 5).

Most of Rwanda’s population is poor and unable to afford the high cost of higher education, leading to a very low rate of higher education accessibility in the country. This low accessibility rate is evident, for instance, in the World Bank recommended higher education participation

rate, which is 10 percent, but which in sub Saharan Africa hovers at an average of five and seven percent. In Rwanda, the Ministry of Education reports that the participation rate in higher education is just less than one percent (MINEDUC, 2008, p. 13). The high number of poor people and high demand for higher education in Rwanda has resulted in an overreliance on government for funding. This has placed an unbearable amount of burden on the Ministry of Education fund public higher institutions, in addition to subsidizing tuition fees. Rwanda's Ministry of Education reports that "public sector higher education has relied almost exclusively on funding from the public purse" (MINEDUC, 2008).

### **3.3.1. Ubudehe Categorization and Government Sponsorship**

One of the specific objectives of Rwanda's Ministry of Education is to, "widen participation to higher education by enabling greater access" with emphasis on "women/girls, people with disabilities and those from the poorest homes" (MINEDUC, 2008, p. 17). In Rwanda, the national higher education policy stipulates that "the Government will provide financial assistance for the majority of full time students attending public sector institutions through a means tested loan scheme. The government will ensure that no qualified student is barred from higher education solely because of their own or their family's inability to provide support" (MINEDUC, 2008, p. 18). This policy of scholarship provision has become a huge burden on the shoulders of the government of Rwanda, especially in view of the fact that more and more Rwandans are passing entrance exams and gaining admission into higher education institutions.

Funding for education in Rwanda constitutes 22.1% of the national budget, above the Education for All – Fast Track Initiative (EFA-FTI) 20% benchmark (UNESCO, 2012). An appreciable part of Rwanda's education budget goes to scholarship and bursary for most students in government higher learning institutions. This amount is instructive, since Rwanda depends on aid for over 40% of its budget, but donors and development partners do not actively support higher education in Rwanda and much of sub-Saharan Africa. If 42% of Rwanda's education budget is allocated to primary education (UNESCO, 2012), government of Rwanda is left with an underfunded higher education system, which it must provide for from non-aid sources.

Prior to 2008, government of Rwanda funded all undergraduate students admitted to all government owned higher learning institutions. This subsidy was a heavy burden on the

government of Rwanda, and according to the Ministry of Education, “given the various competing demands on ...limited resources and the need for rapid and substantial expansion of higher education, this position is no longer sustainable, the challenge for Government is to introduce an equitable system of cost sharing for students.” In 2008, government of Rwanda decided to re-strategize and divest investment in higher education from funding of 100% of all undergraduate students admitted in public institutions to funding only students with established inability to afford tuition fees. However, the Ministry of Education would note that the “challenge for Government is to find ways of providing support to all those who can benefit from higher education and cannot afford to pay the full costs” (MINEDUC, 2008, p. 14).

In 2010, Government came up with the policy of student payment of tuition fees being determined according to household income. It was a situation where students from certain income thresholds were expected to pay all or part of their tuition and fees, while those from lower income household were funded by the government. Several drawbacks rendered this model untenable, with chief among them being that as a majorly informal economy, it was extremely difficult to accurately determine citizen income. In an interview with a staff of the Rwanda Education Board, it emerged that several students brought documents claiming to be in the lower income category and needing government assistance, and it was difficult for the Board to verify such claims, since most of their parents were in the informal economy and their income was difficult to determine.

In 2013, government of Rwanda, through the Rwanda Education Board decided to give scholarship and bursary to students based on the Ubudehe categorization. Rwanda Education Board decided that only those within the first and second Ubudehe categories were qualified for full bursary. For those in the third and fourth categories, 50% of school fees, which comes to approximately 300,000 Rwf (c. 500 Usd), will be borne by the students while the government pays the rest. For students whose households fall within the fifth and sixth Ubudehe categories, the Ministry considers them financially well-off enough to be able to bear one hundred percent of their tuition. This decision was taken based on the successes recorded by the CBHI scheme in the distribution of subsidized health insurance to Rwandan citizens.

### **3.3.2. The Study Context**

At the beginning of the semester in January 2014, which was the first time the Ubudehe categorization was used to determine government assistance to undergraduate students, a record number of students were unable to resume classes. Non-returning students blamed the Ubudehe categorization, insisting that they were wrongly placed, and therefore unable to afford the stipulated school fees to register for classes. Rwanda Education Board was flooded with requests from students who were stranded at home, and in need of being reinstated. Faced with a massive number of requests, Rwanda Education Board partly rescinded its previous decision, and requested students to produce letters from their village leadership, confirming that they are unable to pay the needed amount of school fees. Many students produced the letter and were back to receiving government financial assistance. At the end of the day, and unlike successes recorded under the health insurance scheme, Rwanda Education Board ended up bearing the burden of paying much of the school fees it had set out to reduce at the introduction of the Ubudehe categorization.

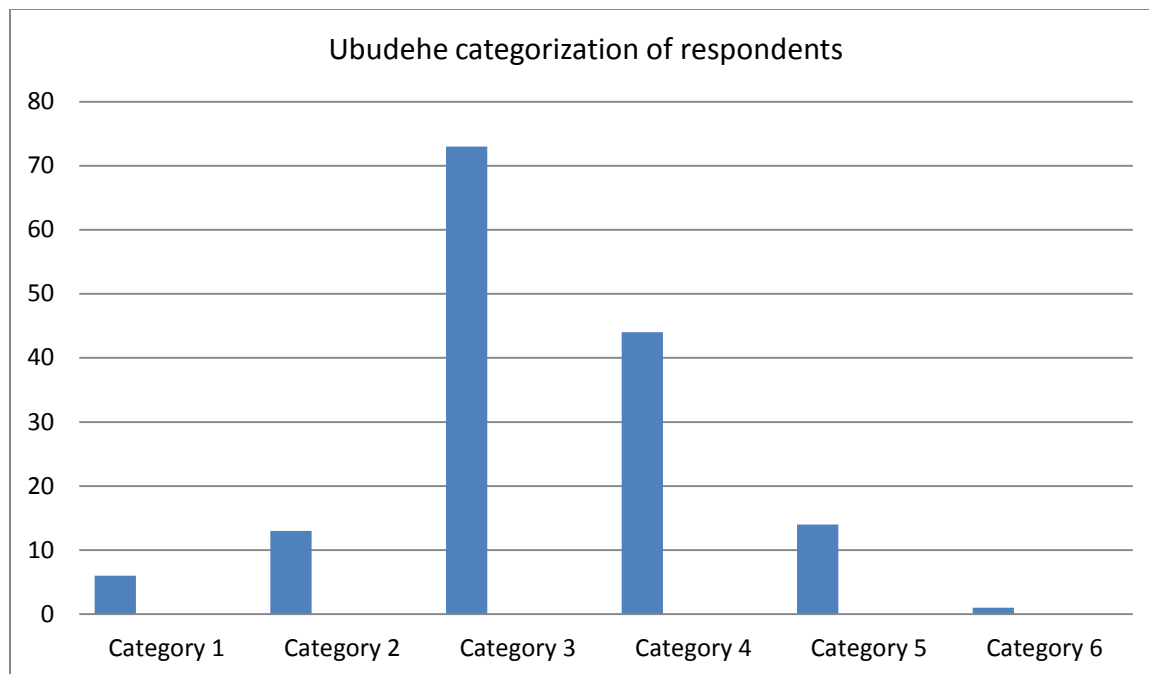
This study was carried out among 158 randomly selected students of the University of Rwanda, in order to determine the reason for the failure of the Ubudehe categorization to ensure an equitable spread of scholarship and bursary across Rwanda students, and weed out free-riders.

### **3.3.3. Data Presentation**

- Ubudehe categorization of respondents:

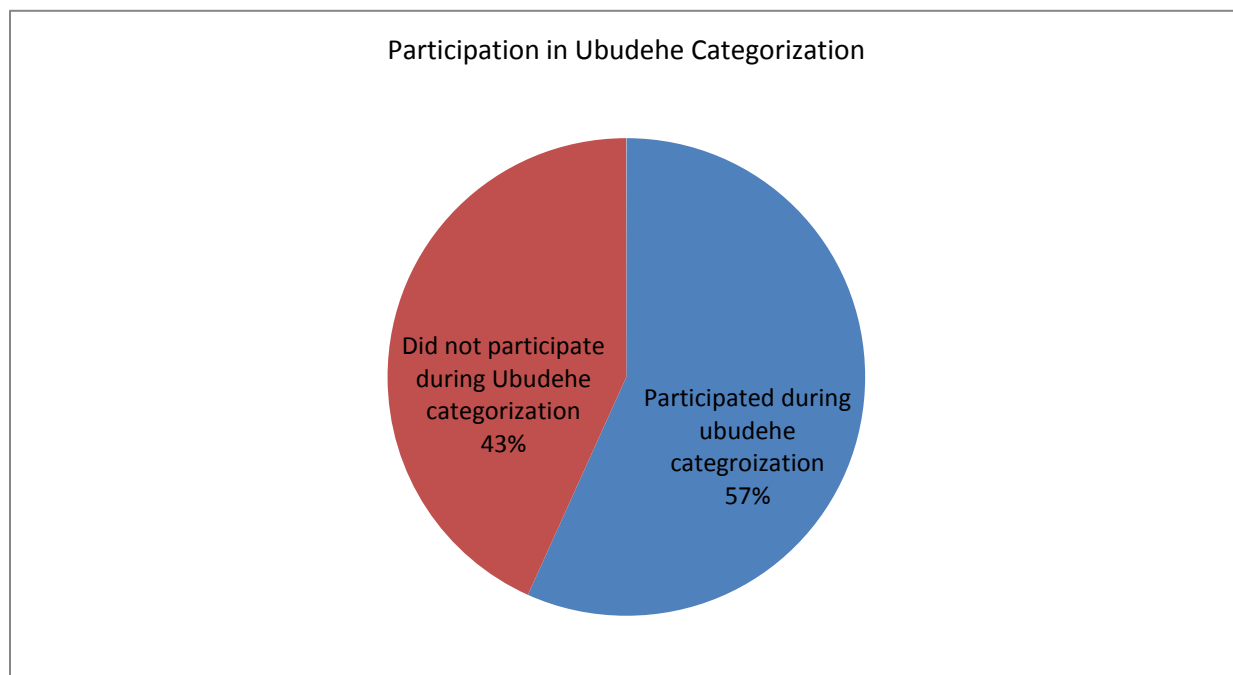
Out of one hundred and fifty eight students interviewed, seven belong to the first Ubudehe categorization stage (Umutindi nyakujya), thirteen belong to the second categorization (Umutindi), seventy three belong to the third Ubudehe category (Umukene), forty-four belong to the fourth Ubudehe category (Umukene wifashuje). Fourteen belong to the fifth Ubudehe category (Umukungu) while only one person belongs to the highest Ubudehe categorization (Umukire).





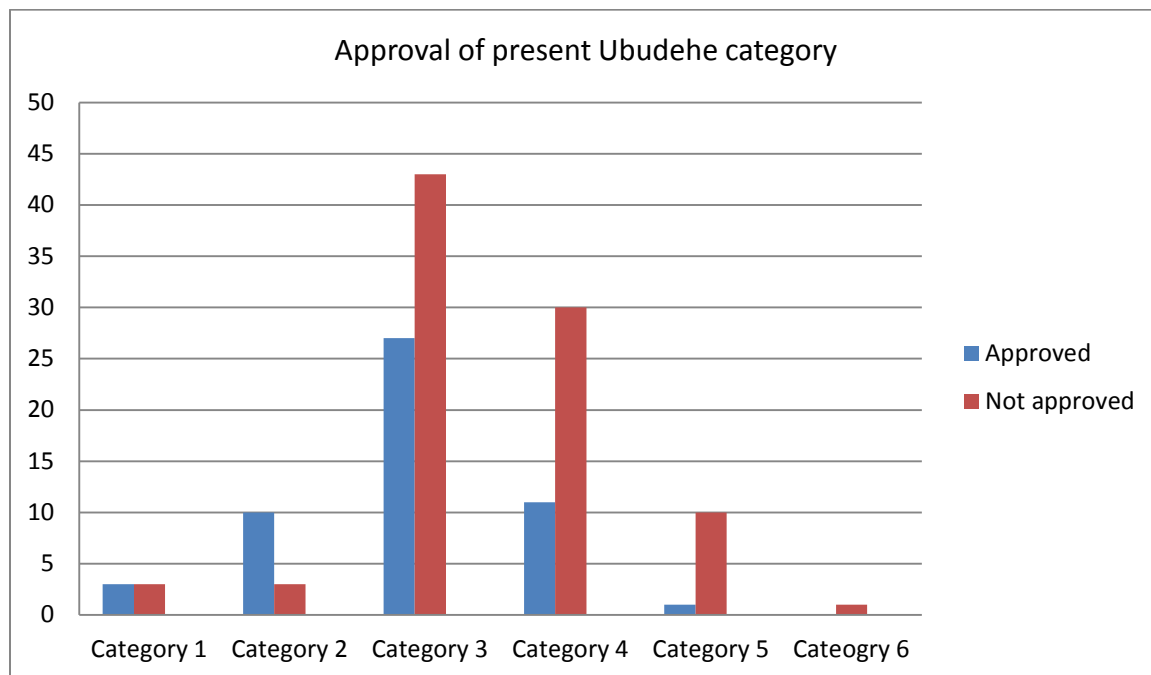
- **Participation during Ubudehe Placement:**

Out of one hundred forty eight respondents to the question posed as to whether they or their families were consulted before being placed on a particular Ubudehe category, eighty four answered yes, while sixty four answered no



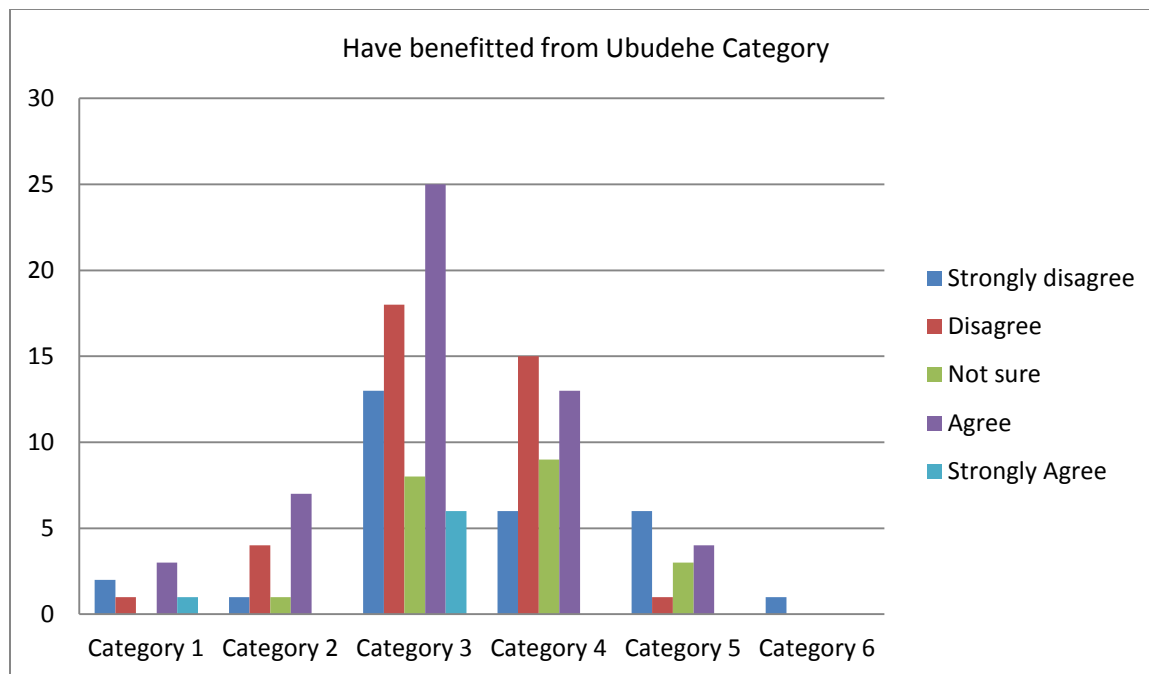
- Approval of Ubudehe Categorization:

Out of one hundred and forty two respondents to the question on whether they approve of the Ubudehe categorization in which they were placed, fifty-two answered yes, while ninety answered No. Broken down according to Ubudehe categorization, most of those who did not approve of their categorization can be found within the third and fourth categorization, while most of those who approve of their categorization can also be found within the same category:



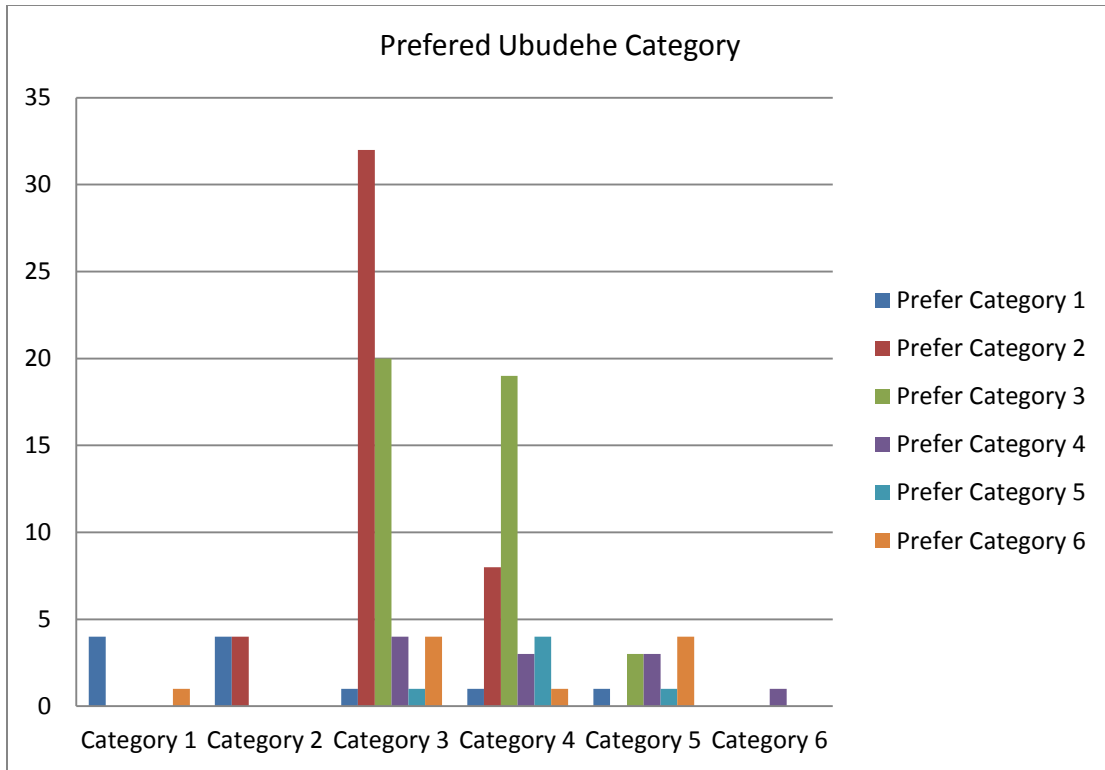
- Benefits from government policies as a result of Ubudehe categorization

Respondents were asked if they think they have benefitted from government policies as a result of the Ubudehe categorization. The answers were presented on a scale of strongly disagree, disagree, not sure, agree and strongly agree:



- Want to switch to another Ubudehe category:

When asked if given the opportunity, whether they will rather be in another Ubudehe category, one hundred and twenty nine responded yes, while twenty five responded no. A follow-up question as to which category is preferred yielded a total of one hundred and fourteen responses as follows:



#### 4.0 Interpretation of Findings

From the interview, most students were placed in the third and fourth categories, and these categories represent those who are most dissatisfied with their placements. In a more detailed segment of the questionnaire, many respondents within the fourth and fifth categories stated that despite the requirements of the Ubudehe categorization that village members must come together to place members in categories, that their households were not consulted prior to placement. A follow-up in-depth interview that was conducted with a leader of a village brought the response that the selection for the Ubudehe categories was done during several town hall meetings convened specifically for that purpose. According to the village leader, those who were present during the convened town hall meetings spoke up for themselves, and in agreement with the entire community were placed on different Ubudehe categories. Those community members who were absent during the town hall meetings were however, placed in categories according to the perception of community members, although they were later informed and given enough time to contest that categorization before a final list was submitted to the sector administration.

The village leader interviewed also noted that several citizens did not participate in the town hall meetings as they were not initially aware that the data was going to influence policy action. Thus, citizens absent from town hall meetings who were placed in categories according to the perception of community members, even when later informed, did not consider it of any significance to contest that placement until the education scholarship policy came into effect. The village leader also stated that some citizens in attendance at the town hall meetings gave false information about their wealth status, thereby allowing and in fact, influencing their placement in the wrong category.

Further, the preponderance of complaints from the third and fourth categories should be analyzed in view of the fact that these categories, though on the borderline of poor and rich, qualify for only 50% tuition subsistence, granted as loan, and which must be repaid over time. While under the CBHI scheme, the third and fourth categories benefit much more as they pay only 3,000Rwf (less than 5USD) per annum, but have the full benefits of health insurance available to those in categories five and six, who pay more than double as health insurance premium per annum. Perhaps, this turning of the table for those in categories three and four from being extremely privileged under the CBHI policy to being placed where they have to invest a sizeable sum of money brought with it its fair share of disgruntlement.

## **5.0 Lessons from Ubudehe and Policy Making in Rwanda**

As at the time of submitting this paper, government of Rwanda is reconsidering the application of the Ubudehe categorization in determining who benefits from government sponsorship at the higher education level. There are plans underway to redraw the categories in order to better reflect the financial capability of citizens. In all, however, the Ubudehe categorization by itself offers several opportunities and lessons for developing countries:

- By considering the level of education and employment status of the children in a household, Ubudehe, unlike other survey based methods of determining inequality, considers the culture of family responsibility that is still strong across much of Africa as against a system where there is a dependency on government funded social services for the retired, old or infirm. Ake (1996) and Shivji (1993) emphasize that democratization efforts in Africa must be founded on the traditional conceptualization of what

participation means within the communal culture of the African society in question. Thus, the notion of culture must be factored into policy making and implementation. Very importantly also, is the need to factor in cultural realities in gathering of relevant data that will have an influence in policy action. Ubudehe succeeds in doing this to a large extent.

- Ubudehe offers some form of distinction between inequalities that are as a result of lack of opportunities and those that are as a result of irresponsibility on the part of citizens (Ferreira, Gignoux, & Aran, 2011). Ubudehe categorization distinguishes between the old, infirm and vulnerable and those who are able bodied. In this regard, Arneson (1989), Roemer (2000), and Ferreira & Gignoux (2008) are of the view that only inequality that are as a result of opportunities should be addressed by the state in the design of public policy.
- In a country where since ancient times, governance had assumed a top-down approach, the bottom-up structure introduced by the Ubudehe categorization, through “the planning of priorities at the community and even household level” is quite innovative, and an achievement for participatory democracy (Rwanda Governance Board, 2013, p. 63). In a European Commission study, a very high percentage of respondents who have participated in the Ubudehe were of the view that the approach is quite reflective of the aspirations of the community (Rwanda Governance Board, 2013, p. 63).
- By converting from a flat health insurance payment rate to stratified payment based on the Ubudehe categorization, government of Rwanda recognized that there is need to offer equal opportunity to all citizens to have access to standard healthcare regardless of income or wealth. Therefore, government of Rwanda by addressing inequality in health services has made it possible for over 90% of her citizens to have access to standard healthcare.
- Ubudehe reveals that in formulating grassroots based approaches to determining inequality towards policy action, governments should ensure that citizens are made aware that the exercise is to be used in policy action that can either be to their advantage, should

they be in a lower category and to their disadvantage should they be in a higher category, and vice versa. This will go a long way in encouraging citizen participation in the democratic process of placing them in various categories and will also aid in ensuring that citizens are confident to state the fact when making assertions about their economic status, prior to final validation by community members.

- Ubudehe is a transformative methodology that holds prospects for further cost-effective and efficient innovation in the area of governance across Africa and the developing world. Participatory numbers and statistics been advocated as a veritable alternative to survey based methodologies. These include Rapid Rural Appraisal (RRA) and Participatory Rural Appraisal (PRA) both of which “can empower local people and provide rigorous and valid substitutes for some more traditional methods of inquiry” (Chambers, 2008).
- Citizen participation in and of itself might not be enough to ensure that all households are placed in the right Ubudehe category. There is still the possibility that at the community level, the categorization process might be hijacked by strong and powerful members of the community, who may witch hunt the poorer members into silence (Moore & Houtzager, 2005). The challenge is to institute systems of checks and balances within the community to ensure that the poorest and most vulnerable are protected from the rich and powerful, and that the interests of the minority are not overshadowed by the tyranny of the majority.

## **Conclusion**

Determining household inequality or wealth distribution across developing countries such as found in Africa can demand much more resources than those countries can afford. Rather than embark on a debt-financed wealth distribution determination approaches, or depending on external aid to fund the process, Rwanda now relies on the Ubudehe community based practice to assess and profile inequality for policy action. Rwanda’s Ubudehe categorization relies on data generated from the lowest administrative level, the village, to determine wealth distribution across the nation.

In Rwanda, the Ubudehe categorization has been used to determine what amount one pays for government provided health insurance. Much successes has been recorded in this regard, as over 90 percent of Rwanda citizens have signed up to the health insurance policy as a result. Another policy, the education policy, relies on the Ubudehe categorization to determine who qualifies for full or partial government scholarship and bursary, and who is deemed financially stable enough to bear the full burden of tuition fees. In the first semester after this policy came into effect, many previously fully funded students could not register for classes as they reported that they were placed in an Ubudehe category that made them ineligible for financial assistance, whereby in actual sense, they are not able to afford tuition fees. This study conducted interviews among 158 randomly selected students affected by the Ubudehe categorization. Responses received show that students placed in the third and fourth Ubudehe categories were mostly affected, reasons advanced majored on the fact despite the democratic set-up of the Ubudehe categorization, several households were not part of the community decision that placed them in their respective Ubudehe categories. If given the opportunity, most of the respondents assert, they would rather be placed in categories that would enable them to receive government funding. However, it is instructive that the students did not really complain when that same Ubudehe categorization qualified them for lower premium payment on government health insurance.

The submission is that Rwanda's effort at community based data generation for determining wealth distribution is a nascent process, which provides deep learning opportunities for the country and other developing countries in search of alternative strategies to the very expensive and sometimes unreliable survey methods presently in use. Amidst its widely acclaimed successes, the stated challenges of Rwanda's Ubudehe categorization are expected, as every new process must submit to further innovation and sharpening of strategy towards improved outcome.



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