

UNU-WIDER

30 YEARS OF RESEARCH
FOR DEVELOPMENT

WIDER Working Paper 2015/008

**Home-grown and grassroots-based strategies
for determining inequality towards policy action**

Rwanda's Ubudehe approach in perspective

Chika Ezeanya*

January 2015

Abstract: Survey-based tools for determining inequality in Africa south of the Sahara have 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, including 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.

Keywords: Ubudehe, Rwanda, grassroots, home-grown, inequality measurement, African development

JEL classification: O1, O2, O12, O13

Acknowledgements: I would like to thank UNU-WIDER in Helsinki, Finland for the scholarship to attend and present this paper during the September 2014 conference on Inequality: Trends Measurements, Impacts, and Policies in Helsinki, Finland. I am grateful to students of the University of Rwanda who took the time to respond to my questionnaires. My thanks also go to officials of the Rwanda Education Board, Rwanda Ministry of Local Government, and Rwanda Ministry of Education. I thank my colleagues at the University of Rwanda for constantly challenging me intellectually. Initial comments and contributions from members of the 2014 American Political Science Association Africa Workshop were helpful in the final draft. The Open Society Foundation's scholarship to attend the 2014 summer school in Budapest, Hungary was very helpful in refining my ideas. Biko Agozino, Kabagambe Kevin, and Annet Uwase have been of immense help and I very much appreciate this.

*University of Rwanda; cezeanya@sfb.ac.rw, Chi_eze@yahoo.co.uk

This paper has been presented at the UNU-WIDER 'Inequality—Measurement, Trends, Impacts, and Policies' conference, held 5–6 September 2014 in Helsinki, Finland.

Copyright© UNU-WIDER 2015

ISSN 1798-7237 ISBN 978-92-9230-893-3 <https://doi.org/10.35188/UNU-WIDER/2015/893-3>

Typescript prepared by Lesley Ellen for UNU-WIDER.

UNU-WIDER gratefully acknowledges the financial contributions to the research programme from the governments of Denmark, Finland, Sweden, and the United Kingdom.

The World Institute for Development Economics Research (WIDER) was established by the United Nations University (UNU) as its first research and training centre and started work in Helsinki, Finland in 1985. The Institute undertakes applied research and policy analysis on structural changes affecting the developing and transitional economies, provides a forum for the advocacy of policies leading to robust, equitable and environmentally sustainable growth, and promotes capacity strengthening and training in the field of economic and social policy-making. Work is carried out by staff researchers and visiting scholars in Helsinki and through networks of collaborating scholars and institutions around the world.

UNU-WIDER, Katajanokanlaituri 6 B, 00160 Helsinki, Finland, wider.unu.edu

The views expressed in this publication are those of the author(s). Publication does not imply endorsement by the Institute or the United Nations University, nor by the programme/project sponsors, of any of the views expressed.

1 Introduction

The survey methods that are largely applied in determining household inequality for policy action across Africa south of the Sahara, although quite useful, often demand many more resources than are at the disposal of several countries within that region. In addition, surveys are often unsuitable 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.

Home-grown and grassroots-based approaches have been severally advanced as foundational for successful discussions on community, and by extension, national development (Dia 1996; Wunsch 2000; Zewde 2010). Models such as the participatory rural appraisal and rapid rural appraisal methods have been advanced as strategies for working together with the rural population in crafting their development trajectory. Research strongly points to the fact that indigenous institutions and home-grown systems and processes do not only form strong foundations for development strategies, but hold great potential to act as catalysts in fostering innovation (Chamlee 1993; Haller 2001). In this light, the paper sets out to determine to what extent Rwanda's Ubudehe has been successful in capturing inequality in Rwanda and in providing a 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 analysed and interviews conducted with affected citizens and staff of relevant government agencies. It is anticipated that research findings will be beneficial to governments in search of viable home-grown alternatives to survey method generated data.

This 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.

2 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' (Ray 1998: 170). 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 often interrelated in terms of causes, manifestations, and consequences. Inequality in health services, for instance, may

be as a result of income inequality and will often result in unequal access to education due to a high drop-out rate as a result of ill-health or even unwanted pregnancy.

2.1 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; a shortage of trained manpower and inadequate financial and other resources contribute to making data collection below par, in comparison to the developed world (Aran et al. 2008). For much of Africa south of the Sahara, collecting data for measuring inequality is a hugely expensive, labour-intensive and sometimes life-threatening exercise.¹ And at the end of the exercise, in several instances, collected data are often inadequate or unreliable as tools for policy action. In essence, in places like SSA, surveys come with numerous challenges such as:

- In villages where many people can neither read nor write, filling in questionnaires even in local languages can be a daunting task.
- Surveys are limited in their 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 the poor and vulnerable population such as those living on the streets or the weak and infirm.
- The 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 censuses, 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 an absence of maps at the lowest administrative level makes it difficult to obtain clear sampling points.

3 The Rwanda context

Over 90 per cent of Rwanda's mostly agrarian population lives in rural areas. In 2003, the 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: 23). Ten years later in 2013, the same report notes an improvement in life expectancy from 49 to 62 years, with the percentage of poor people pegged at 44.5 per cent (World Bank 2013). Aid represents up to 40 per cent of Rwanda's national budget, with 65 per cent of aid spent by government agencies (Oxfam 2013).

Rwanda is remarkable for the last genocide of the twentieth century, in which over one million citizens were killed. Inequality in the distribution of wealth has been established as being a central cause of the genocide (Mamdani 2002). Twenty 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: 11).

¹ In Mozambique, for example, data-collecting agents in some instances have to trek for two days from the last motorable road until the next village.

3.1. The Ubudehe approach

From the colonial era until the pre-genocide era, 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 citizens' voices 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 reintroduce a culture of citizen participation in governance in modern-day democracy. Ubudehe was introduced as one of the methods.

Ubudehe's history dates 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 (RGB 2013).

Ubudehe was reintroduced 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 (RGB 2013). 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: 3).

Ubudehe's basic functions begin 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 100–150 households. The current administrative structure of Rwanda can be seen from Table 1.

Table 1: Government of Rwanda: structure of administration, 2006 to present

Territory/division	Numbers
Government	1
Provinces (including Kigali)	5
Districts	30
Sectors	416
Cellules	2,148
Villages (Umudugudu)	14,837

Source: MINALOC (2008).

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 for bottom-up planning and policy-making (RGB 2013).

3.2 Practice of Ubudehe

Ubudehe consists of eleven methodological stages implemented at the village level. All the Ubudehe stages are briefly explained, but the third stage, which has a direct bearing on inequality determination, is considered in greater detail.

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 challenges and analysis of selected strategies for tackling challenges.
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).

3.3 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 MINALOC. According to the Ubudehe manual, trained facilitators are dispatched to assist community members in placing themselves in different economic categories. In several town hall meetings, communities sit together to determine which

category each household belongs to and compile a dataset of same. Table 2 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.

Table 2: Ubudehe: poverty characteristics of households in Rwanda

Category name and number	Characteristics
<i>Umitindi Nyakuja</i>	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.
<i>Umutindi</i> (the very poor)	The main difference between the <i>Umutindi</i> and the <i>Umitindi Nyakuja</i> is that this group is physically capable of working on land owned by others, although they themselves have either no land, or a very small landholding, and no livestock. They suffer from low harvests and also have no access to health care or schooling.
<i>Umukene</i> (the poor)	These households have some land and housing. They live on their own labour 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.
<i>Umukene Wifashije</i> (the resourceful poor)	This group shares many of the characteristics of the <i>Umukene</i> , but, in addition, they have small ruminants and their children go to primary school. They have a few animals and petty income to satisfy a few other needs.
<i>Umukungu</i> (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.
<i>Umukire</i> (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 centres.

Source: Rwanda MINECOFIN (2002).

Until 2010, data generated through the Ubudehe-based categorization of different communities across Rwanda were located at the village level. They were not easily accessible by the national and lower level administrative units, making their 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 database (Kayira 2011). The database holds information gathered from the villages about each and every household in the country and their social and economic category. 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: 2)

The database is accessible to the sector, district, province, and central administrative units for use in their administrative duties. Data are constantly updated as economic situations of households change.

4 Ubudehe data for policy action

Ubudehe-based inequality categorization has been used by the government of Rwanda to make several policy decisions (Kayira 2011). Two of the policies, adjudged to be of very high impact, which will be analysed 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 the Ubudehe categorization.

4.1. Community-based health insurance policy

Rwanda's CBHI, widely known as *Mutuelle de Santé* 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). From a low of 7 per cent of citizens signing up in 2003, Rwanda's CBHI recorded a high of 92 per cent of citizens signing up in 2012. The successes recorded under CBHI have been linked to the Ubudehe categorization which the system adopted in 2011.

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 2004; MOH 2010). CBHI covers all three levels of health service provision: health centres, district hospitals, and referral hospitals (MOH 2010). Contributions to CBHI are made on an annual basis and enrolment is undertaken 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 the inception of CBHI in Rwanda until 2011, an annual flat subscription fee of RWF1000 (c.US\$1.5) was required per individual, per annum. A further payment of RWF200 (c.US\$0.30) was 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-rate 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 2010:11). 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 his/her household has been placed by the community.

The stratified Ubudehe-based premium system brought with it an 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 RWF2000 (c.US\$3). 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, the annual subscription fee is RWF3000 (c.US\$4.5) per year, while a fee of RWF7000 (c.US\$10.5) 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 enrolment rate of 90.7%’ (MOH 2012: 12). The reason for this success is that, with the Ubudehe categorization, more citizens could afford to pay the annual premium and also know that their economic capacity was recognized in decisions concerning the amount of their premium. Unlike previously, NGOs, development partners, and philanthropic individuals were also able to easily identify the most vulnerable citizens in need of assistance.

4.2 Education policy

In Rwanda, higher education assumed priority in government policy at the end of the genocide in 1994. Between 1963, when the National University of Rwanda was established, and 1994 just under 2,000 students graduated from the only university in the country (MINEDUC 2008). The 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 its development. By 2012, 76,629 students were registered in the different public universities in Rwanda (McWha 2013). Thousands more were 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 cannot obtain high enough marks to gain admission into government universities (MINEDUC 2008).

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. While the World Bank recommends a higher education participation rate of 10 per cent, Sub-Saharan Africa (SSA) hovers at an average of 5-7 per cent. A Rwandan Ministry of Education report would even place the number much lower, stating that the participation rate in higher education is just less than 1 per cent (MINEDUC 2008). The high number of poor people and high demand for higher education

in Rwanda has resulted in an over-reliance on government for funding. This has placed an unbearable burden on the Ministry of Education to fund public higher institutions, and to subsidize 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).

Ubudebe categorization and government sponsorship

One of the specific objectives of Rwanda's Ministry of Education is to increase widespread participation, through the enabling of greater access, especially by 'women/girls, people with disabilities and those from the poorest homes' (MINEDUC 2008: 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: 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 per cent of the national budget, above the Education for All – Fast Track Initiative (EFA–FTI) 20 per cent benchmark (UNESCO 2012). An appreciable part of Rwanda's education budget goes to scholarships and bursaries for most students in government higher learning institutions. This amount is instructive, since Rwanda depends on aid for over 40 per cent of its budget, but donors and development partners do not actively support higher education in Rwanda and much of SSA. If 42 per cent of Rwanda's education budget is allocated to primary education (UNESCO 2012), the government of Rwanda is left with an under-funded higher education system, which it must provide for from non-aid sources.

Prior to 2008, the 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, the government of Rwanda decided to re-strategize and divest investment in higher education from funding 100 per cent of all undergraduate students admitted to public institutions to funding only students with an established inability to afford tuition fees. However, the Ministry of Education noted 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: 14).

In 2010, the 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 households were funded by the government. Several drawbacks rendered this model untenable, chief among them being that as a largely informal economy, it was extremely difficult to accurately determine citizen income. In an interview with a member of 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, the government of Rwanda, through the Rwanda Education Board, decided to give scholarships and bursaries to students, based on the Ubudehe categorization. The Education Board decided that only those within the first and second Ubudehe categories qualify for a full bursary. For those in the third and fourth categories, 50 per cent of school fees, amounting to approximately RWF300,000 (c.US\$450), will be borne by the students while the government will pay 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 100 per cent of their tuition fees. This decision was taken based on the successes recorded by the CBHI scheme in the distribution of subsidized health insurance to Rwandan citizens.

The study context

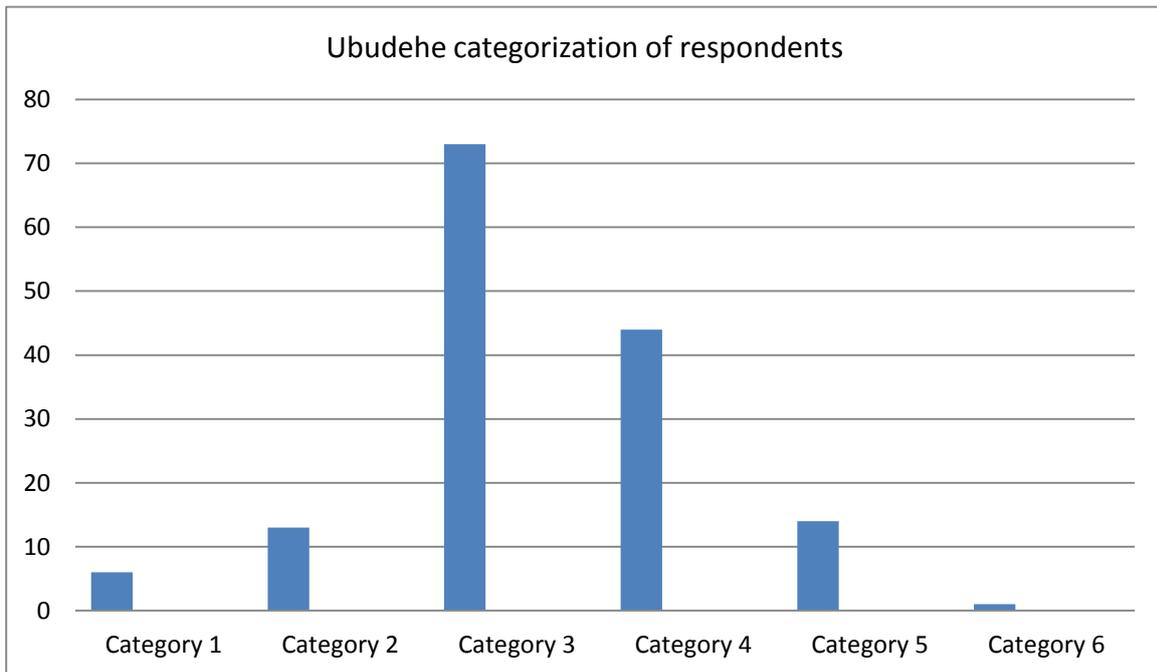
At the beginning of the semester in January 2014, which was the first time the Ubudehe categorization was used to determine government assistance to undergraduate students, a record number of students was unable to resume classes. Non-returning students blamed the Ubudehe categorization, insisting that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

A written interview survey was carried out by the author of 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 scholarships and bursaries across Rwanda students. The reason for the establishment of the Ubudehe was to ensure that only those in need of financial assistance were offered that package, while those who could afford to pay their tuition fees did so. With the failure of Ubudehe, the government went back to paying school fees and bursaries to most students in public higher institutions, regardless of economic status.

Data presentation

Figure 1 shows the Ubudehe categorization of respondents. Out of 158 students interviewed, seven belonged to the first Ubudehe categorization stage (*Umutindi nyakujya*), 13 belonged to the second categorization (*Umutindi*), 73 belonged to the third Ubudehe category (*Umukene*), 44 belonged to the fourth Ubudehe category (*Umukene wifashuye*), 14 belonged to the fifth Ubudehe category (*Umukungu*), while only one person belonged to the highest Ubudehe categorization (*Umukire*).

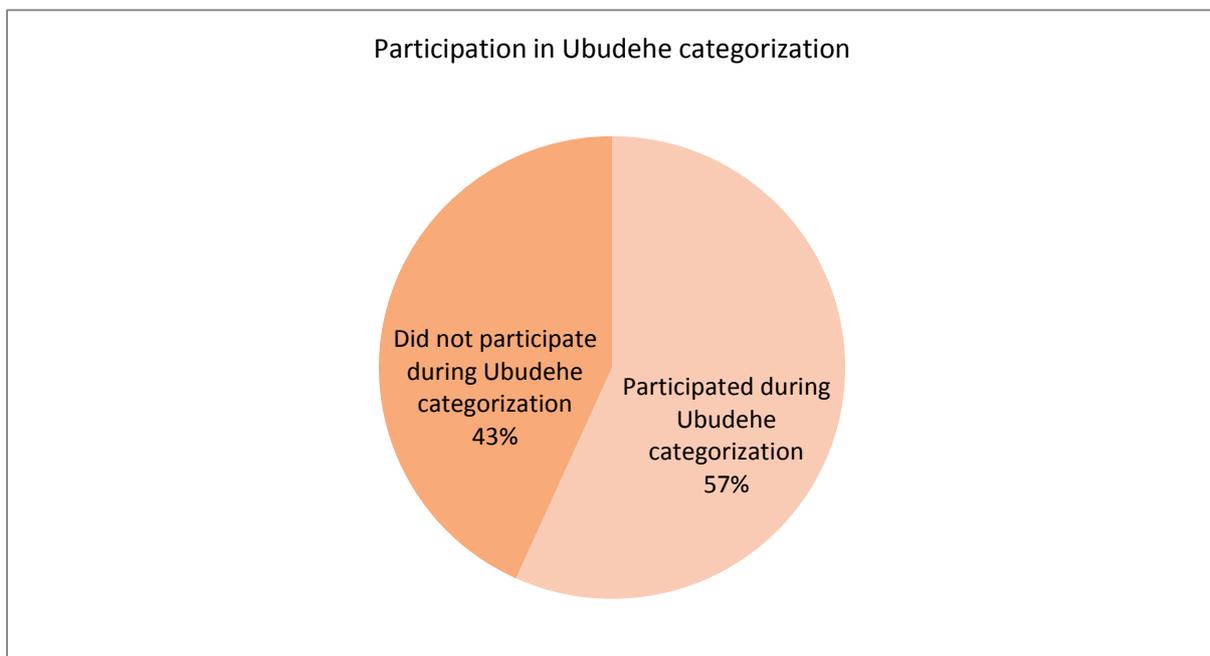
Figure 1: Ubudehe categorization of respondents



Source: Author's compilation.

Figure 2 shows the percentage participation during the Ubudehe placement process. Out of 148 respondents to the question posed, as to whether they or their families were consulted before being placed in a particular Ubudehe category, 84 answered 'yes', while 64 answered 'no'.

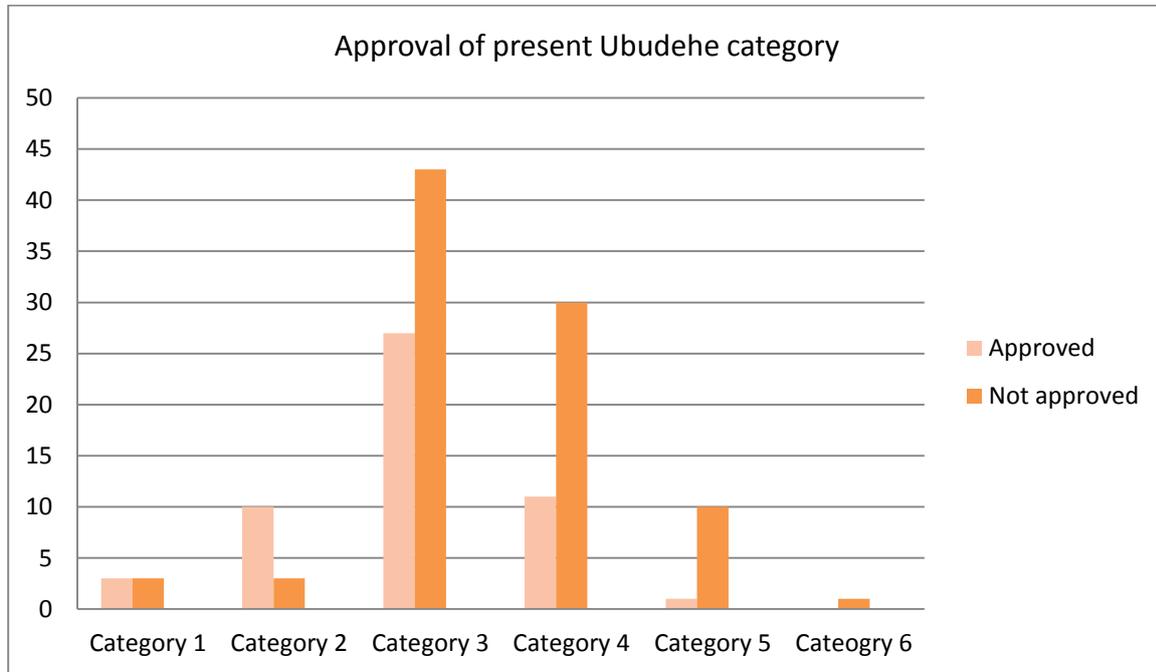
Figure 2: Participation in Ubudehe categorization



Source: Author's compilation.

Figure 3 shows the results of the question relating to approval of Ubudehe categorization. Out of 142 respondents to the question of whether they approved of the Ubudehe categorization in which they were placed, 52 answered 'yes', while 90 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 categories, while most of those who approved of their categorization can also be found within the same category:

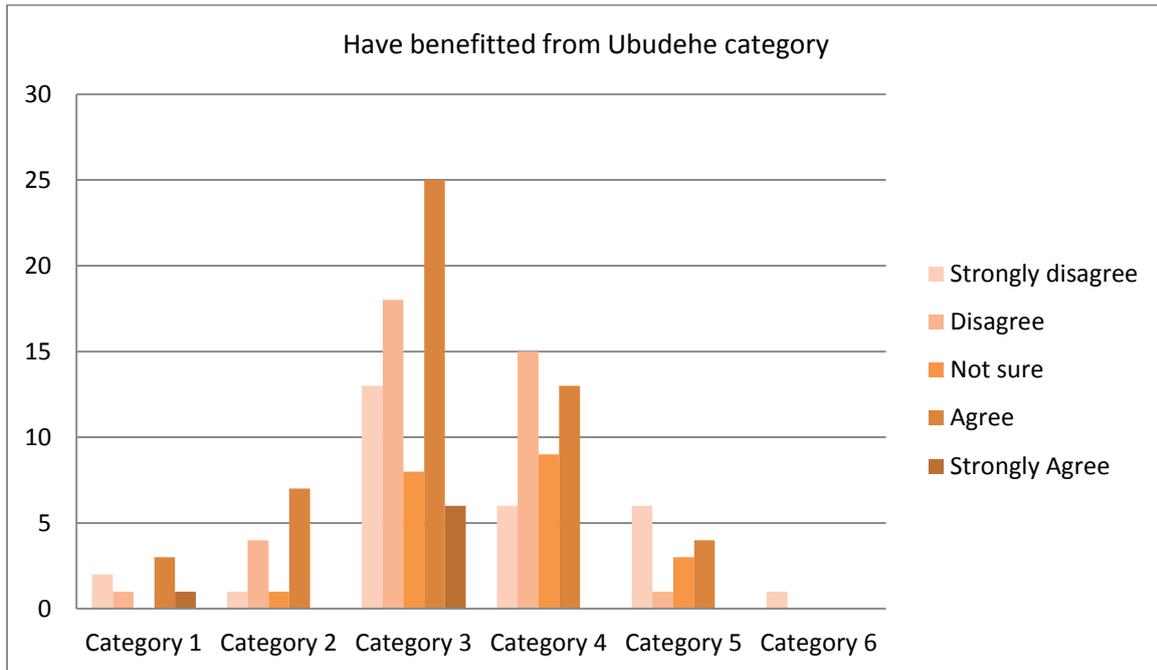
Figure 3: Approval of present Ubudehe category



Source: Author's compilation.

Figure 4 shows the results of the question about whether respondents thought they had 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'.

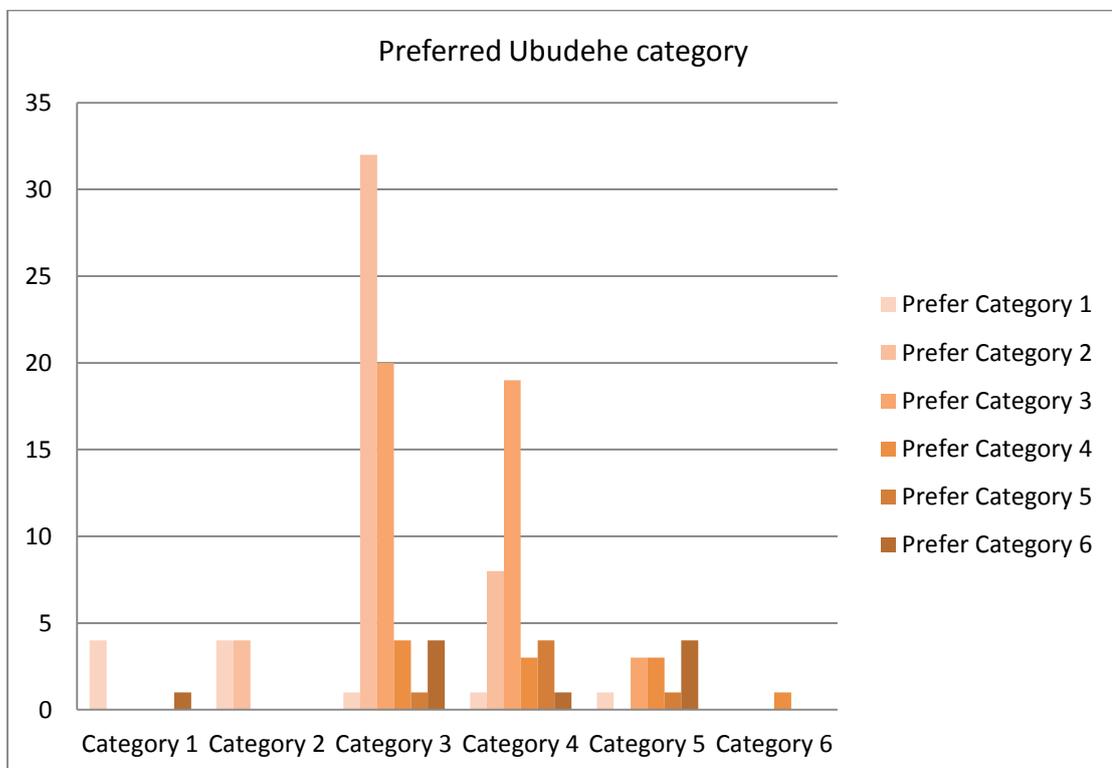
Figure 4: Have benefitted from Ubudehe category



Source: Author's compilation.

When asked if given the opportunity, they would rather be in another Ubudehe category, 129 responded 'yes', while 25 responded 'no'. A follow-up question as to which category was preferred yielded a total of 114 responses as shown in Figure 5.

Figure 5: Preferred Ubudehe category



Source: Author's compilation.

5 Interpretation of findings

From the interviews, 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, village members must come together to place members in categories and 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 carried out 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 in 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 analysed in view of the fact that these categories, though on the borderline of poor and rich, qualify for only 50 per cent tuition subsistence, granted as loan, 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 (c.US\$4.5 per annum), but have the full benefits of health insurance available to those in categories five and six, who pay more than double as a 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.

6 Lessons from Ubudehe and policy-making in Rwanda

At the time of submitting this paper, the 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 on 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 et al. 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 and Gignoux (2008) are of the view that only inequalities that are as a result of lack 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 (RGB 2013: 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 (RGB 2013).
- By converting from a flat, health insurance payment rate to stratified payment based on the Ubudehe categorization, the government of Rwanda recognized that there is a need to offer equal opportunity to all citizens to have access to standard health care regardless of income or wealth. Therefore, the government of Rwanda, by addressing inequality in health services, has made it possible for over 90 per cent of its citizens to have access to standard health care.
- 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, or 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 facts 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 have been advocated as a veritable alternative to survey-based methodologies. These include rapid rural appraisal and participatory rural appraisal 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 and 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 majority are not overshadowed by the tyranny of the minority.

7 Conclusion

Determining household inequality or wealth distribution across developing countries such as found in Africa can demand many more resources than those countries can afford. Rather than embark on 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 success has been recorded in this regard, as over 90 per cent of Rwandan 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 had been placed in an Ubudehe category that made them ineligible for financial assistance, whereby in actual sense, they were not able to afford tuition fees. This study conducted interviews among 158 randomly selected students affected by the Ubudehe categorization. Responses received showed that students placed in the third and fourth Ubudehe categories were mostly affected; reasons advanced majored on the fact that, 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 a 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 success, 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.

References

- Adam, A. (2007). 'Data Quality Issues in Surveys of the International Comparison Program for Africa (ICP-Africa)'. *The African Statistical Journal*, 5: 49–67.
- Ake, C. (1996). *Democracy and Development in Africa*. Washington DC: Brookings Institution Press.
- Aran, M., S. Demir, O. Sarica, and H. Yazici (2008). *Poverty and Welfare Changes in Turkey 2003–2006*. *Mimeo*. Washington DC: The World Bank (Turkey Office).
- Arneson, R. (1989). 'Equality and Equal Opportunity for Welfare'. *Philosophical Studies*, 56(1): 77–93.
- Chambers, R. (2008). *Revolutions in Development Inquiry*. Routledge: New York.
- Chamlee, E. (1993). 'Indigenous African Institutions and Economic Development'. *Cato Journal*, 13: 79–99.

- Dia, M. (1996). *Africa's Management in the 1990s and Beyond: Reconciling Indigenous and Transplanted Institutions*. Washington DC: World Bank.
- Ferreira, F., and J. Gignoux (2008). *The Measurement of Inequality of Opportunity: Theory and Application to Latin America*. Washington DC: World Bank.
- Ferreira, F., J. Gignoux, and M. Aran (2011). 'Measuring Inequality of Opportunity with Imperfect Data: the Case of Turkey'. *Journal of Economic Inequality*, 1: 30.
- Haller, T. (2001). 'Rules which Pay are Going to Stay: Indigenous Institutions, Sustainable Resource Use and Land Tenure among the Ouldeme and Platha, Mandara Mountains, Northern Cameroon'. *Bulletin De La APAD*, 22: 2–12.
- Kayira, F. (2011). *Innovation Developed in Rwanda to Support Social Protection Interventions*. Retrieved 21 June 2014 from Social Protection: www.socialprotection.org
- Mamdani, M. (2002). *When Victims Become Killers: Colonialism, Nativism and the Genocide in Rwanda*. Princeton: Princeton University Press.
- McWha, J. (2013). *Higher Education in Rwanda*. Kigali: Rwanda Ministry of Education.
- MINALOC (2001). *Ubudebe in Rwanda: Community Collective Action*. Kigali: Rwanda Ministry of Local Government (MINALOC).
- MINALOC (2002). *Ubudebe in Rwanda, Community Collective Action—Training Manual for Facilitators*. Kigali: Rwanda Ministry of Local Government (MINALOC).
- MINALOC (2006). *Creating Spaces for Citizen Participation in: Self Governance, Poverty Analysis, Local Problem Solving, Sector/District Planning*. Kigali: Rwanda Ministry of Local Government (MINALOC).
- MINALOC (2008). 'Programme Ubudehe Devis Programme No. 1 (Period 2005–2006)'. Report of Activities, Government of Rwanda. Kigali: Rwanda Ministry of Local Government (MINALOC).
- MINALOC (2009). 'Ubudehe mu Kurwanya Ubukene'. Concept Note. Kigali: Rwanda Ministry of Local Government (MINALOC).
- MINECOFIN (2002). 'Poverty Reduction Strategy Paper'. Kigali: Rwanda Ministry of Finance and Economic Planning (MINECOFIN).
- MINECOFIN (2003). 'Ubudehe mu Kurwanya Ubukene, Ubudehe to Fight Poverty'. Concept Note. Kigali: Rwanda Ministry of Finance and Economic Planning (MINECOFIN).
- MINEDUC (2008). 'Higher Education Policy'. Retrieved 28 June 2014 from Rwanda Ministry of Education: http://mineduc.gov.rw/IMG/pdf/Higher_Educ.pdf.
- Mluleki, N. (2011). *Challenges of Data Collection in Africa*. Dakar: Pan African Media Research Organization.
- MOH (2004). *Mutual Health Insurance Policy in Rwanda*. Kigali: Rwanda Ministry of Health (MOH).
- MOH (2010). *Rwanda Community Based Health Insurance Policy*. Kigali: Rwanda Ministry of Health (MOH).
- Moore, M., and P. Houtzager (2005). *Changing Paths: International Development and the New Politics of Inclusion*. Michigan: University of Michigan Press.
- Oxfam (2013). *Development Finance and Inequality: Good Practice in Ecuador, Rwanda and Thailand*. London: Oxfam.
- Ray, D. (1998). *Development Economics*. Princeton: Princeton University Press.

- Roemer, J. (2000). *Equality of Opportunity*. Boston: Harvard University Press.
- Rwanda Governance Board (2013). *Documentation of Home-grown Initiatives and Solutions for Policy Makers, Researchers and the Public*. Kigali: Rwanda Governance Board (RGB).
- Shivji, I. (1993). *Intellectuals at the Hills: Essays and Talks, 1969 - 1993*. Dar es Salaam: Dar es Salaam University Press.
- UNESCO (2012). *Rwanda EFA Profile*. Retrieved 29 July 2014, from [www.unesco.org: http://www.unesco.org/new/fileadmin/MULTIMEDIA/FIELD/Dakar/pdf/EFA%20country%20profile%20%202102-%20Rwanda.pdf](http://www.unesco.org/new/fileadmin/MULTIMEDIA/FIELD/Dakar/pdf/EFA%20country%20profile%20%202102-%20Rwanda.pdf).
- World Bank (2003). *World Development Indicators*. Washington DC: World Bank.
- World Bank (2013). *World Development Indicators*. Washington DC: World Bank.
- Wunsch, J. (2000). 'Refounding the African State and Local Self Governance: the Neglected Foundation'. *Journal of Modern African Studies*, 38(3): 487–509.
- Zewde, A. (2010). *Sorting Africa's Developmental Puzzle: The Participatory Social Learning Theory as an Alternative Approach*. Maryland: University Press of America.