Learning from Role Models in Rwanda:

Incoherent emulation in the construction of a Neoliberal Developmental State

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ABSTRACT

In the 21ˢᵗ century, developing country policymakers are offered different market-led role models and varied interpretations of 'developmental state role models'. Despite this confusion, African countries pursue emulative strategies for different purposes – whether they may be for economic transformation (in line with developmental state strategies), market-led reforms or simply to signal the implementation of 'best practices' to please donors. Rwanda has been lauded for the country's economic recovery since the 1994 genocide, with international financial institutions and heterodox scholars both praising different facets of its development strategy. This paper argues that Rwanda is an example of a country that has simultaneously pursued emulative strategies for different purposes – often even within the same sector. This paper examines the Rwandan government's emulation of different role models for varied purposes. Two studies of emulation are explored: the emulation of Singapore's Economic Development Board (RDB) through the establishment of Rwanda's own Rwanda Development Board (RDB) and the evolution of Rwanda's financial sector with reference to the use of contending market-led and developmental state models. The paper argues that in Rwanda, incoherent emulation for different purposes has resulted in contradictory tensions within its development strategy and the construction of a neoliberal developmental state.

Introduction

To catch up with developing countries, governments often choose to emulate the experiences, institutions and strategies of advanced countries. Karl Marx highlighted the opportunities associated with emulating the successes of early developers in reference to Germany's latecomer status in the context of industrial transformations in England. He suggested in his famous quote – "the country that is more developed industrially only shows, to the less developed, the image of its own future" (Marx and Engels 1969, 87). Some (Hirschman 1981, Chang and Ozcelik 2008) accused Marx of being guilty of arguing for 'mono-economics' – that a single development model could be relevant for the entire world. Others like Gerschenkron (1962) argued that there were no automatic stages of development. Yet Gerschenkron argued that a latecomer advantage existed for late developing countries in

that such countries could tap into existing advanced technologies and leap through stages that previous countries passed through in a comparatively slower manner. However, most scholarship within the developmental state paradigm (DSP), has emphasised that though role models play an important role, the challenge of emulation is a very difficult task.[1] Alice Amsden (1991) argues that there were large flows of trade and technology between North and South America yet there was less successful replication and catch-up development. Korea, Taiwan and other Southeast Asian states accessed technology against the wishes of Japan and successfully implemented their own industrial strategies. Thus, potential role models may exist but it is often up to the emulator to find ways to mimic the behaviour of predecessors (and emulation is likely to be unpopular with more industrialized and powerful countries).

Emulation has become more difficult in the 21st century. Developing countries face more barriers to emulation to pursue economic transformation than they did previously due to significant conditionalities on aid recipients and reduced policy space (Wade 2003), with limited room for institutional innovation (Mkandawire 2012). New interpretations of the success of developmental states further limit the possibilities of developing countries to find appropriate role models (World Bank 1993). The World Bank and Non-government Organisation (NGO) obsession with 'best practice' has resulted in "institutional monocropping", which refers to the "imposition of blueprints based on idealized versions of Anglo-American institutions the applicability of which is presumed to transcend national circumstances and cultures" (Evans 2004, 30). Influential work (Andrews et al. 2013, Pritchett et al. 2013) has recently identified the 'isomorphic mimicry' associated with implementing best practice initiatives in developing countries, which force developing countries into capability traps, exposing the resources and skills gaps in those countries. These arguments tend to paint African governments as passive recipients of policies. Contrastingly, some African studies scholars (Bayart 2000, Hibou 2004) exaggerate the

agency of governments emphasising how African elites resort to 'extraversion' or 'privatisation of the state' when they adopt best practices to mask the corrupt or unproductive practices of African elites. Though there is debate among such scholars about the extent of agency within African governments, the discussion has largely focused on how developing country governments have emulated mainstream market-led governance reforms rather than defying them.

Emulation remains an imperfect process. Developed countries may distort the histories of how they developed and "kick away the ladder" (Chang 2002). Developing country policymakers are also "limited by the data available to them, their resources to undertake analysis, and their own cognitive faculties" (Elkins and Simmons 2005, 43). There is also disagreement as to what constitutes 'best practice', market-led models and DSP models. Neoliberalism does not appear in a single monolithic form (Venugopal 2015). It has evolved with a lack of consensus about its status given changing trends within the international development industry from the dominance of New Institutional Economics to the current Sustainable Development Goals. The DSP itself has become deeply contested, with heterodox scholars offering contrasting role models to developing countries. Ben Fine (2005) argued that the 'developmental state' had lost its meaning as the concept had been loosely applied in different ways and in reference to various contexts. He highlighted the emergence of two distinct schools within the DSP. One was the economics school, which emphasised the central role of industrialization and state-led interventions in economic sectors to promote transformation (but it was relatively blind to the relevance of domestic politics). The second was the political school, which focused its analysis on the bureaucracies of developmental states and the political foundations for the emergence of such countries (but industrialization and economic transformation were marginalised in their discussions). In terms of the policies that were on offer, there were some contradictions. Some within the

political school (Evans and Rauch 1999) emphasise the importance of a Weberian meritocratic bureaucracy while others (Kang 2002) highlight the corruption and unfairness that existed in East Asian developmental states.

It has been difficult for African countries to access alternatives to market-led role models. The DSP has operated as the most significant alternative to neoliberal market-led models for developing countries over the last 40 years. However, African countries have not easily accessed such role models because of increased donor conditionalities and growing ideological affinity with market-led models (Harrison 2010). Following Akamatsu's (1962) 'flying geese model', which emphasised that the proximity of Japan helped influence the development strategies of other East Asian countries, it can be argued that African countries have been hindered by having few role models in their vicinity.

This paper examines the emulation strategies that the Rwanda government has used in its economic recovery since the genocide. The government has achieved miracle growth of over six per cent nearly every year since 1994 and been widely lauded by international financial institutions and heterodox scholars (Behuria and Goodfellow 2016). Like developmental states of the past, Rwanda's development strategy has been learning-oriented (Booth and Golooba-Mutebi 2012). However, this paper demonstrates that Rwanda's learning has not clearly prioritised different purposes over others. Instead, several different role models are emulated, which lead to contradictory tensions within the country's development strategy. The paper engages with existing literature on emulation to highlight the different purposes of emulation in Rwanda (*emulation for economic transformation*, *emulation for market-led growth and emulation for signalling the implementation of best practices*). The different purposes of emulation highlight contradictions in Rwanda's development strategy, which contribute to a conflicted development strategy and the construction of a neoliberal developmental state in Rwanda.[2]

This article begins with a discussion of the literature on emulation and highlights the different purposes for emulation in Rwanda. A section describing the history of Rwanda's learning-oriented developmental state strategies follows. It then examines two case studies of how the Rwandan government has employed role models. The first example focuses on the creation of the Rwanda Development Board (RDB), which was modelled on the Economic Development Board (EDB) in Singapore. The second example illustrates the evolution of Rwanda's financial sector and the government's attempt at finding 'functional substitutes' (Gerschenkron 1962) for retaining control over strategic investments in the economy. This section demonstrates how role models are emulated with conflicting aims. The aim of becoming a financial sector hub clashes with developmental state goals such as direct lending and national ownership of banks. Within the political science literature studying emulation, there is a tendency to separate discussions of international influence from domestic politics when studying how policy emulation occurs. This paper demonstrates how domestic politics and ideological contestation contribute to decisions about which role models are emulated. In Rwanda, the interaction between international influence and domestic politics leads to incoherent emulation and the construction of a neoliberal developmental state.

Fieldwork for this paper has been conducted during repeated visits to Rwanda between 2011 and 2016. Overall, 519 interviews have been conducted with government and military officials, local businessmen, foreign investors, donors, consultants, agriculture cooperative representatives, local academics and journalists, coffee and tea farmers, miners and other relevant stakeholders. These interviews have informed the discussion of the Rwandan government's emulation of different role models.

The purposes of emulation in Rwanda

How countries learn from and imitate the strategies of other countries has been the discussed across academic disciplines including sociology, political science, international relations, public policy and comparative politics. This has resulted in conceptual overlap with a range of concepts including policy transfer, policy convergence, emulation, institutional isomorphism and policy diffusion applied in scholarship to study relatively similar practices. In this paper, policy emulation is used as it has a narrower scope than the other concepts. Policy emulation is defined as "the utilization of evidence about a programme or programmes from overseas and a drawing of lessons from that experience" (Bennett 1991, 221). Comparatively, concepts such as policy transfer and policy diffusion have a much broader scope. Policy transfer refers to when "knowledge about policies, administrative arrangements, institutions and ideas in one political setting is used in the development of policies, administrative arrangements, institutions and ideas in another political setting" (Dolowitz and Marsh 2000, 5). Policy diffusion refers to when policy choices in one country influence those made in another country (Simmons and Elkins 2004, Braun and Gilardi 2006). This paper examines the creation of a Rwandan government agency (RDB) and the evolution of Rwanda's financial sector on the basis of different development role models. The paper showcases that the Rwandan government emulated different aspects of role models to selectively apply facets of different role models for different purposes.

This paper highlights three different (though sometimes interrelated) motives for emulation in Rwanda. One purpose is *emulation for economic transformation* (as per developmental state role models). In Rwanda, the country's economic strategy has been geared to structural transformation but this has conflicted with concurrent goals of pursuing market-led growth (either forced because of pressure from donors or international financial institutions or also because the government believes that such policies were appropriate). For example, in 1997, donors (including the World Bank) influenced the Rwandan government to

establish the Privatisation Secretariat, which was mandated to privatise 94 state-owned

enterprises. By 2011, 57 enterprises were successfully sold to private investors. On the other

hand, though the World Bank and International Monetary Fund (IMF) pushed an agenda for

financial inclusion, the Rwandan government equally held that such strategies were important

to provide access to financial services for the population.[3] Since 2008, financial inclusion has

increased from 47 per cent to 89 per cent.[4] Yet there is limited evidence that financial

inclusion necessarily results in positive benefits for the poor (Bateman and Chang 2012,

Ghosh 2013). Demonstrating evidence of ideological contestation, one RPF ideologue argued

that the Rwandan government was always in a 'war of containment' against donors and even

their own fellow government officials who espouse such policies.[5]

East Asian development successes have provided opportunities to emulate for

economic transformation. Discussions of the developmental state have become increasingly

popular on the African continent. Meles Zenawi (2012) wrote about Ethiopia's strategy to

emulate East Asian countries. The African National Congress in South Africa has voiced

similar ambitions (Edigheji 2010). Scholars have likened the development experiences of

several African countries like Ethiopia (Gagliardone 2014), Rwanda (Mann and Berry 2015)

and Mauritius (Meisenhelder 1997) to that of East Asian developmental states.. Yet the

lessons to be drawn from developmental states have been lost because of the lack of

consensus with regard to characterising developmental states.[6] The China Model or 'Beijing

Consensus' has provided an opportunity to emulate economic transformation through

alternative role models (Ramo 2004, Zhao 2010). However, any general lessons to be

gathered from China's rise have been contested because of the varied interpretations of the

Chinese development experience. Some argue that the Chinese growth experience has been

down to neoliberal policies (Harvey 2005, So 2007). Others (Unger and Chan 1995,

Appelbaum et al. 2011) have claimed that China has very similar characteristics to

developmental states of the past or that there is evidence of 'state capitalism' (Bremmer 2010), with heavy state intervention at the centre of its policymaking.

Another purpose of emulation is *emulation for market-led growth* (or to pursue liberal political models). This has been the subject of significant literature on policy emulation, policy diffusion and policy transfer (Simmons and Elkins 2004). Emulation for market-led growth often contradicts emulation for transformation. The literature on policy emulation in Africa tends to see most countries on the continent as victims, who passively implemented market-led reforms (Marsh and Sharman 2001). However, many African governments believe that implementation of market-led reforms will lead to positive development outcomes. According to Graham Harrison (2005), the creation of market societies has been characterised by the marketization of social relations and a restructuring of African people's subjectivities, relationships and practices.

The third purpose for emulation highlighted in this paper is *emulation for signalling the implementation of best practices*. This particular form of emulation is similar to *emulation for market-led growth*. However, it differs from such forms of emulation to the extent that it is primarily for signalling to foreign investors or donors and it is less about believing in the implementation of specific policies. This paper demonstrates that the establishment of the RDB has been primarily to signal that Rwanda is open for business and to promote a public image of Rwanda being investor-friendly. Yet there is less consensus about the importance of private sector-led development within the government's development strategy (though it constitutes part of the rhetoric). Evidence of the inconsistencies of the government's relationship to foreign investors and domestic private sector-led development is the proliferation of party- and military-owned enterprises as lead actors in sectors across the economy (Booth and Golooba-Mutebi 2012; Behuria 2015, 2016).

When policy emulation has been studied in African countries, it has largely been in relation to specific similarities with models such as the developmental state or a 'China Model'. These studies do not consider contradictory economic or political pressures that may impede the application of such a role model. For example, Fourie (2014) examines how the Kenyan government has attempted, at least in theory, to emulate East Asian governments. However, neglecting the market-oriented nature of the broader economy (or even Kenya's transformation into a neoliberal market society) (Harrison 2005) mischaracterises the nature of the Kenyan state. Fourie's (2015) discussion of Meles Zenawi's Ethiopia similarly underscores how the 'China Model' has landed in Ethiopia without acknowledging the contentiousness of that model within Ethiopia or highlighting its differences from East Asian countries. Such discussions tend to loosely characterise the ways in which African countries emulate role models in the 21st century. They do not emphasise the contentious ways in which emulation occurs in these countries and obscure the differences in emulation in preference to highlighting similarities.

There are different purposes for emulation in Rwanda. However, policymakers also experience challenges in applying models since they do not receive replicable presentations of different role models. Accessing role models is increasingly difficult not just because role models do not travel easily (because of different interpretations) but because they are also often consciously presented in false ways (Chang 2002) or because there is little policy space to access alternative role models. In Rwanda, there is no single role model that has been applied in a consistent way. Different role models have been employed in different sectors. Market-led models may be preferred in one sector while state-owned enterprises may lead actions in others. Different role models may even be applied in the same sector and the pressures of developmental state models and market-led reforms may work against one

another. This showcases the disjointed nature of 21st century development, with the conflicting inclinations and political pressures faced by leading policymakers.

Learning and role models in Rwanda

The Rwandan Patriotic Front (RPF), which has led the Rwandan government since 1994, has always stressed the importance of learning from role models. Its founding organisation – the Rwanda Alliance for National Unity (RANU) – emphasised the importance of learning from other rebel movements. RANU's founding members emphasised how they learned from the example of South Africa's African National Congress, other liberation movements within the region and even read about revolutionary movements in China and Central America.[7] However, though role models were useful, senior RPF cadres stressed that they learned their first lessons from understanding their 'own objective conditions', which they experienced growing up as refugees in Uganda and other neighbouring countries.[8] The marginalization of Banyarwanda in Uganda during Idi Amin's reign led RPF cadres residing there to join forces with Yoweri Museveni's National Resistance Army (NRA) in their fight against Amin's government. RPF cadres learned from the NRA's revolutionary language and methods. Leading RPF cadres used concepts like resistance, cadreship and patriotism in the early days of their struggle (Mushemeza 2007, 105).

After the RPF assumed power in 1994, its leadership was faced with the challenge of rebuilding the economy. Senior RPF cadres admit that many of the policies donors pushed (including large-scale privatisation) went against their own policy preferences. However, given their reliance on aid and their lack of options, they had to choose to accept some policies from donors while obtaining enough policy space to enact their preferred strategies on their own terms.

"Because we are poor, we are told how to spend money but if we do what they want sometimes, we can spend some of it in the places we want. If they say, go put money in health, we build hospitals. But then if we want to build roads, we still find ways to build the roads."[9]

However, the RPF's strategy was not one that was ideologically bent towards state intervention for the sake of it. Rather, it was similar to the strategy of Museveni, who was "ruled more by pragmatic politics than by ideology" (Oloka-Onyango 2004, 34). From its inception, the RPF operated as a learning-oriented political organisation.[10] However, there is a lack of clarity in the direction of learning. Though adaptation and learning have been characteristic of developmental states in the past (Wong 2004, Stubbs 2009), emulation in Rwanda has not always been geared with *emulation for structural transformation* as its main priority as it was in East Asia. Instead, the government has had to deal with pressure from donors to implement market-led policies and has been much more flexible and open to the possibilities that are associated with such policies.

Ideological contestation within the party, a need to project the image of being a 'star pupil' of donors and a conscious aim to pursue best practices (without always problematizing the 'best practices' offered by donors) has contributed to the decisions regarding which policies are implemented in Rwanda. The multiple 'faces' of the Rwandan government have been written about widely (Uvin 2001, Reyntjens 2001, Pottier 2002). However, though at times, the models that donors propose may be adopted simply for the sake of appeasing donors, some reforms are adopted because Rwandan policymakers believe in those policies. It is inaccurate to say that the Rwandan government has followed only developmental state models or market-led role models. A variety of role models have been adopted in different sectors. Often, different role models may even be in conflict within the same sector.

Some emulation in Rwanda is primarily to signal implementation of best practices. The government places a high priority on achieving tangible progress in indicators, which were widely used by donors and International Financial Institutions. The Rwanda Governance Board (RGB) was created, with the responsibility of ensuring improved performances in the World Bank's World Governance Indicators and other such indices. The government was particularly proud of excellent performances in the *Control of Corruption* indicator (RGB 2011). Rwanda also performed well in The World Bank's *Doing Business Indicators* – an index, which represents the Good Governance paradigm's emphasis on building a facilitating environment for private sector growth. In 2009, it was listed as the world's top business reformer and jumped nearly 80 ranks (IBRD 2010). Since then, the government has consistently ranked among the top African countries in the index. Projecting the image of embracing the 'role model' that donors like to see has even made others project Rwanda as a 'role model' elsewhere.[11]

The government has adopted specific role models in different sectors, as part of its national strategies for those sectors. Michael Fairbanks' On The Frontier (OTF) consultancy group wrote several sector strategies in Rwanda in the 2000s. OTF's work was inspired by Michael Porter's (2000) work on industrial clusters. OTF also helped identify role models for value-addition strategies in Rwanda's traditional export sectors: coffee, tea and mining. The Rwandan government sent government officials and representatives from the domestic private sector to meet with representatives from the Dilmah Tea Company and tea board officials in Sri Lanka. In the coffee sector, the United States Agency for International Development (USAID) helped develop successful coffee cooperatives, which led to the creation of an exporting company – RWASHOSCCO, which exported coffee produced in eight cooperatives across Rwanda. RWASHOSCCO officials were sent to South America to learn from the experiences of similar companies.[12] The Office of the President also actively

works to identify examples in other countries, which could be useful to their own development strategy.[13] For example, the Rwandan government has engaged with Ethiopian policymakers closely after Ethiopia's recent industrial policy successes. The Rwandan government has also been especially interested in the lessons that can be learned from Singapore's development experience, with President Paul Kagame referring to Rwanda as Africa's Singapore on occasion and calling Lee Kuan Yew 'an inspiration' (Caryl 2015).

Today, the Rwandan government is characterised as an example of an African 'developmental patrimonial state' with many similarities to East Asian developmental states of the past (Booth and Golooba-Mutebi 2012).[14] However, it is also perceived to be a star pupil of the Good Governance paradigm, with the Rwandan government receiving praise from the United Nations Secretary-General Ban Ki-Moon and World Bank President Jim Kim for its reforms and fast-paced growth (The Independent). The RPF remains a 'learning-oriented political organisation'. Though the Rwandan government functions with a clear learning-orientation but the purposes of emulation are often in conflict with one another. The tensions between the desire to embrace 'best practice' policies and market-let models while also countering them with doses of developmentalism have resulted in the creation of a neoliberal developmental state in Rwanda.

Incoherent emulation: The case of The Rwanda Development Board (RDB)

This section examines the ways in which the Rwandan government has used the Singapore Economic Development Board (EDB) as a role model as part of its development strategy. This case demonstrates that the goals of *emulation for signalling the implementation of best practices* have been the primary objective. *Emulation for market-led growth* has also been considered but the goal of *emulation for economic transformation* has been neglected.

The EDB was established in 1961 with a budget of $100 million to spearhead a programme of rapid industrialisation to promote structural transformation of the economy. It replaced the Singapore Industrial Promotion Board (SIPB). The EDB had a large mandate, including extensive powers to finance industries and provide funding for industrial estates. The EDB was remarkable in its ability to simultaneously solve problems quickly and fit solutions into the country's long-term vision (Schein 1996, 46). For Lee Kuan Yew, "economic development was to be the answer to Singapore's future" (Schein 1996, 31). He granted the EDB privileged status, while catering to political interests within his government. Mainstream academics argued that the EDB's success was because of its managerial capacity and technocratic expertise, as well as the priority it placed on attracting foreign investment (Soon and Tan 1993). Others showed how the government allocated foreign investment strategically to different sectors and ensured that skills were developed among workers, which would work in line with the goals of structural transformation. The EDB initially targeted 'desirable' industries, first by using employment and growth potential as the major criteria but subsequently shifted to considering the potential for technological acquisition (Huff 1999). EDB's decisions led foreign investment to be concentrated in the petrochemicals, pharmaceuticals and the electronics industry. The EDB invited multinational companies like Rollei, Tata and Phillips to establish technical training institutions in Singapore, which created direct links between training and employment opportunities (Gopinathan 2001).

Though developmental state proponents and the World Bank both admire the EDB for its role in advancing Singapore's economic success, there is disagreement with regard to which characteristics were most important. Thus, for Rwanda, which chose to emulate the EDB, the question of which characteristics to focus on was important. The RDB was established as a permanent, independent national organ with administrative and financial

autonomy. RDB leadership reports directly to the President of Rwanda. Currently, the RDB also has a Board of Directors, which includes ministers from relevant ministries. The RDB's mission is to fast track economic development in Rwanda by enabling private sector growth. Part of this mission is to transform Rwanda into a dynamic global hub for business, investment and innovation. Another aim was to promote RDB as a nodal agency that would lead the country's development strategy and would also be in-charge of promoting Rwanda's public image as an investor-friendly destination.

The RDB was established in August 2008. Its establishment was a result of the amalgamation of eight government institutions. These institutions included: The Rwanda Investment and Export Promotion Agency (RIEPA), Rwanda Office of Tourism and National Parks (ORTPN), Rwanda Commercial Registration Services Agency, Privatization Secretariat, the Human and Institutional Capacity Development Agency (HIDA), the Center for the Support to Small- and Medium-Sized Enterprises (CAPMER), Rwanda Information and Technology Authority (RITA) and Rwanda Environmental Management Authority (REMA).[15] In keeping with the RDB's goal of facilitating private sector involvement, its principal mission was "to fast track economic development in Rwanda by enabling private sector growth" (RDB 2012, 1). It was assumed that consolidating eight government institutions into one 'autonomous' institution would drive legal and regulatory reforms that eliminated inefficiencies and streamlined bureaucracy, which were barriers to private sector development (IMF 2009). Such logic was in line with the language of New Institutional Economics (NIE) and the importance NIE places on reducing transaction costs.

President Kagame appointed Joe Ritchie, who was a founding member of the 'Friends of Rwanda' network in the United States as the first CEO of the institution. Ritchie was a Chicago-based trader and introduced Kagame to other leading members of the American business community, who collectively formed the 'Friends of Rwanda' network. Ritchie had

also been a member of Rwanda's Presidential Advisory Committee. Ritchie's appointment was a part of creating a 'friendly face' for investment in Rwanda and to show 'that the country was open for business and wanted to secure European and American investment.'[16]

The RDB has gone through several changes since its establishment in 2008. By 2013, the RDB had appointed five different CEOs in five years. Francis Gatare replaced Ritchie. Gatare then left to become Principal Secretary to the Rwandan President. John Gara replaced Gatare. When Gara left to head the Judicial Commission, Chief Operating Officer Clare Akamanzi took over as acting CEO. Valentine Rugwabiza then took over as CEO in December 2013. Rugwabiza only lasted a few months and Gatare returned in 2014 as CEO, with his position elevated to the rank of a cabinet minister. In 2017, Akamanzi took over from Gatare as CEO.

"We are now in our third transition as an organisation. We've reassessed our position and we are going to redevelop the organisation to suit the needs of our country's goals. The RDB has done a lot to build a good business environment for the private sector. Now, we must find ways to make sure the private sector becomes the engine of development. Our goals as an organisation will continue to develop as our country's own development future changes."[17]

RDB representatives said that they were confident that the establishment of the organisation had resulted in cutting red tape, as well as improving efficiency.[18] They were especially proud of the RDB's One Stop Business centre, which was instrumental in making the registration of businesses easier in Kigali. However, even in 2008, Gatare – then the principal deputy CEO of the RDB – highlighted "a heavy burden of logistical issues" (The New Times 2008). Some RDB officials and consultants also admitted that it had been difficult to develop chains-of-command within the organisation.[19] Investors and foreign consultants also said that though many new employees had been hired, skills were far behind

what existed in ministries.[20] Government officials initially hoped that the RDB would exhibit the same characteristics of 'embedded autonomy' as the EDB (Evans 1995). However, not only had expertise fallen short of expectation but 'apart from directors, most other employees had very little knowledge of the sectors. Even if some have knowledge, no one can provide expertise or advice.'[21] The government was making attempts to increase efficiency. All RDB officials had performance contracts. However, one consultant argued that the institution's practices were different from those that existed in nodal agencies in East Asian developmental states. In particular, 'employees (in RDB) are only concerned with meeting targets. No one is thinking out of the box and no one is allowed to be creative with their planning.'[22] Such arguments emphasise that the focus on narrowly defined performance targets can be counterproductive since it reduces the autonomy enjoyed by bureaucrats in nodal agencies in developmental states.

The RDB was not given the same powers as the EDB was given in the 1960s. Rather than spearheading "industrialization by direct participation in industry" (Huff 1995), the RDB's mission is primarily to act as an investor hub and provide business with an effective platform to deal with government. As a result, the RDB has been primarily involved with maintaining the image of providing a facilitating environment for the private sector.

The RDB's responsibility in achieving progress in the World Bank's Doing Business rankings is the best evidence of this. The Rwandan government began emphasizing *Doing Business* reforms in the 2007 National Leadership Retreat. Within the RDB, a *Doing Business* unit was created with the sole purpose of finding ways to obtain excellent rankings in new indices. The unit works in the RDB's Investment Promotion and Implementation Unit. All its personnel's work performances are measured in terms of particular quantifiable tasks, such as registering businesses and improving rankings by a particular percentage.[23] Little emphasis was placed on how long these companies operated in Rwanda.

The RDB has been very effective in climbing up *Doing Business* rankings. It has successfully enacted reforms that promote the image of Rwanda as an investor-friendly destination. In 2009, there was an overhaul of the national company law that dealt with entrepreneurs. A new one-stop shop reduced the number of interactions required in setting up a business from nine to two. The time required to start a business fell from 18 to 3 days, and the cost from 235 per cent of income per capita to 4 per cent of it (IBRD 2013, 39). It is possible for an entrepreneur in Rwanda to set up a business in eight hours – faster than in the United States. John Gara, the former CEO of the RDB, said that this success was because of policies that were effective in cutting 'red tape' – "When you start removing some of the bureaucratic things in government, there is resistance because you are changing how things have always been done. People didn't need to file five papers; one is enough and the process works" (Crisafulli and Redmond 2012, 169). Donors have widely lauded these successes and have characterised Rwanda as an example, which other countries can learn from, to build economies that promote private sector development (IBRD 2013, 41).

Rwanda's excellent performance in Doing Business indicators would suggest investors are battling to get a piece of the Rwandan economy. However, though investment has increased, many companies struggle to stay afloat. In interviews conducted with private sector respondents, complaints included difficulty in obtaining land, administrative blockages in ministries, indecision among government officials, high taxes and difficulties in finding a market for goods.[24] The validity of the Doing Business indicators and their relevance in terms of characterising a 'business environment' has been criticised (Hallward-Driemeier and Pritchett 2015). Counter to the image of Rwanda's facilitating 'business environment', government officials acknowledged they continued to experience difficulties in finding investment for strategic sectors.

"If we get interest from many people about investing, that is good. But it is our responsibility that we get the 'right' investor. Otherwise people promise to invest and take assets and it is very difficult to get them out when they don't do anything. This happens to us and we have learned from our mistakes. But it is very difficult."[25]

The discussion indicates that the RDB's main priority continues to be related to maintaining positive perceptions and selling the image of Rwanda's economic recovery. However, the RDB has not fulfilled its aim of becoming a nodal agency that coordinates national development strategy.

"RDB is an investor hub. Policymaking is mostly done within our ministries. We (our ministry) collaborate with RDB because investment is an important ingredient in our growth. However, we have very different responsibilities and they do not work above us."[26]

The RDB works very differently from other ministries. Between 2010 and 2013, a large number of younger officers were hired to staff the organisation. Many of these officers were hired to work on aspects related to foreign investment. The younger staff, which comprises most of RDB's employees, had little experience of relevant sectors.[27] Some investment officers were in charge of entire sectors. For example, two investment officers dealt with more than 30 coffee exporting companies. Most Directors and senior officers were also younger than their ministerial counterparts. RDB officials also recognised that it had been difficult to develop a coherent identity for the institution. Instead, officials said many of the departments functioned independently.[28] The RDB also has numerous international consultants dominating the upper echelons of the bureaucracy in the organization e.g. in departments such as the Strategic Investments Unit. However, there is little evidence that power resided directly within the RDB (especially before Gatare's return in 2015).

Despite its lack of attention to promoting economic transformation, the RDB has taken an active leadership role in the promotion of the tourism industry. Tourism is Rwanda's

largest foreign exchange earner, generating $318 million in 2015, with tourism related to mountain gorilla activities accounting for 60 per cent of this income (Kimenyi 2016). This growth has increased substantially since 2004. Prior to that (till 1994), tourism revenues had not amounted to even $100 million. Through the ORTPN (which was later subsumed within the RDB), the government has launched several initiatives including the annual gorilla naming ceremony, *Kwita Izina*, which was launched in 2005. The RDB has also developed several marketing initiatives including *Remarkable Rwanda* and diversified its tourism attractions. The government has a national tourism strategy, which places importance on becoming a leading Meetings, Incentives, Conferences and Events (MICE) destination. In 2015, Rwanda was already ranked 7th in Africa by the International Congress and Convention Association. Central. The RDB's 'embedded autonomy' (Evans 2005) in the tourism sector has been its unrivalled domestic experience in the sector, given that ORTPN was the original tourism agency previously and has since retained most of its staff. Nevertheless, the tourism sector's success shows that despite the largely 'isomorphic' characteristics of the RDB, 'pockets of embedded autonomy' exist and prioritisation within a better-funded and more powerful organisation (as compared to ORTPN) has supported progress in a strategic sector.

Attempts at making the RDB a nodal agency, in line with the EDB and similar developmental states of the past, have also progressed a little recently.[29] For example, the RDB has taken a much more active role in directing investors to strategic sectors and ensuring targets (in line with national goals) are included in their contracts. However, government officials in other ministries argue that they have little capacity to monitor and discipline companies who do not meet targets.[30] Thus, even within institutions that may largely function to create perceptions of supporting market-led growth, 'embedded autonomy' may be concentrated in particular sectors e.g. tourism (Evans 1995). It must also be acknowledged that emulation is a painstaking and lengthy process. The concentration of

authority in a nodal agency involves altering the distribution of power between existing ministries and the RDB. Such changes can be difficult and unpopular. Ultimately, the creation of a nodal agency requires ministries to give up their power and authority. Since ministries – particularly, the Ministry of Finance and Economic Planning (MINECOFIN) and the Ministry of Trade and Industry (MINICOM) – and the National Bank of Rwanda (BNR) continue to play a central role in economic policy (and there has been limited changes in the senior hierarchy), there is a suggestion that ministries may have blocked (or at least, ignored) the attempt at empowering RDB's position as a nodal agency.

The RDB was originally established with a broad ambit with the expressed aim to emulate several characteristics of the EDB. However, incoherent emulation has been the result. Its main priority has been to present Rwanda to the outside world as open for investment. However, its position as a nodal agency leading the country's development strategy has not been achieved. Domestic political economy concerns – in relation to the distribution of power between ministries and new agencies – have also impacted the evolution of the RDB's role. Importantly, the government also received the EDB role model in different ways – from the World Bank, from past EDB members (with two different respondents emphasising contrasting features of the EDB) and donors (Asian and European). The result has been the reception of an incoherent model, which the government has used and adapted to suit its own domestic political economy concerns and immediate strategic goals.

Varied purposes for emulation in the financial sector in Rwanda

The evolution of Rwanda's financial sector demonstrates how *emulation for market-led reforms* and *emulation for economic transformation* operate alongside one another in Rwanda's learning-oriented development strategy. *Emulation for signalling the*

implementation of best practices also remains relevant since the Rwandan government aims to be a global financial hub in the future.

Many African governments have been caught between the contradictory requirements of capital account liberalisation (imposed by donors in some contexts) and retaining control over financial instruments. Brooks and Kurtz (2012) argue that in Latin America, explanations of capital account liberalisation are usually accounted for because of external pressures (Bartolini and Drazen 1997) or domestic political pressures (Frieden 1991). They argue that the literature rarely demonstrates how domestic political coalitions may have interacted with international pressures to impact the evolution of financial sector policies. A similar trend exists within the underdeveloped literature on African banking sectors. Stein (2009) argues that international financial institutions have applied pressure to liberalise African financial sectors while Boone (2005) highlights how the domestic political economy impacted the application of financial sector reforms. This section will demonstrate how Rwanda's domestic political economy interacted with international pressures to impact the evolution of the financial sector. In particular, frictions between domestic elites motivated liberalisation of the financial sector.

This section suggests that different and contradictory models have motivated Rwanda's financial sector reforms. The first includes market-led models, which call for the liberalisation of the financial sector. The logic of such reforms follows that increased competition would lead to more efficient allocation of resources. Another facet of market-led models is the prioritisation of financial inclusion. A second model includes models that refer to signalling the implementation of best practice reforms. The Rwandan government has recently committed to adopting Basel II and III banking standards, as part of a signal to become a financial sector hub for the region.

The third model refers to developmental state models; with many development scholars arguing that latecomer development is unlikely without a state-owned banking system or equivalent 'functional substitutes' (Gerschenkron 1962). In the Rwandan case, 'functional substitutes' include the Rwandan Development Bank (BRD), the Rwanda Social Security Board (RSSB) and military banks. This is particularly relevant given that many East Asian developmental states had majority control over their financial systems (Wade 1990).

Prior to 1994, Rwandan governments retained comparatively more control over the financial sector. The private capitalist classes were small and the pressure to liberalise the financial sector was limited. *Banque Commerciale du Rwanda* (BCR) was incorporated as the first commercial bank in Rwanda in 1963. It shared ownership with *Banque Bruxelles Lambert*. The government retained 42 per cent of BCR's share capital. Bank of Kigali (BK) was established in 1966, as a joint venture with *Belgolaise SA*. Later, *Banque Nationale de Paris* and Dresdner Bank also invested in the bank. The government retained 50 per cent of BK's share capital. In 1983, *Banque Continentale du Luxembourg* established the *Banque Continentale Africaine du Rwanda* (BACAR). The *Banque Continentale du Luxembourg* retained a majority of shares, with independent Rwandan investors also owning some shares and the government retaining four per cent of shares. BCR accounted for 48.4 per cent of commercial bank assets while BK and BCR held 36 and 15.6 per cent of total assets respectively (World Bank 1991). Other financial institutions included *the Caisse d'Epargne du Rwanda* (CER) and *the Union des Banque Populaires* (UBP), a development bank, *Banque Rwandaise de Developpement* (BRD), a housing finance institution - Caisse Hypothecaire du Rwanda (CHR), and two insurance companies (SONARWA and SORAS). UBP, also known as *Banques Populaire du Rwanda* (BPR), had its roots in 1975 when farmers in Eastern Province developed a savings and credit scheme. The programme was rolled out across the country. In 1986, BPR was established as an umbrella organisation in

Kigali. Despite the government retaining some control over the financial sector, all commercial banks opted for "almost exclusively low-risk, high-profit activities: trade financing, short-term loans and overdrafts" (Goldmark 1987, 31).

After the genocide, the local banking sector "was overburdened with non- performing loans and was not in a position to support the reconstruction of a capital-intensive sector in the immediate aftermath of the crisis; and low demand from a strife-impoverished citizenry" (Gathani and Stoelinga 2013, 22). The government licensed two new commercial banks – Bank of Commerce, Development and Industry (BCDI) and *Banque à la Confiance d'Or* (BANCOR). Alfred Kalisa was among the investors who led BCDI. In 2000, now-exiled and former prominent Rwandan businessman Tribert Rujugiro gained ownership of BANCOR. BANCOR's ownership changed in 1995. *Banque Continentale du Luxembourg* sold its shares to a group of Rwandan businessman, with Valens Kajeguhakwa a leading member of this group. Kajeguhakwa was a prominent Tutsi businessman during the Habyarimana regime. He also funded the liberation effort. In 1999, more than 40 Rwandan investors and state-owned institutions (which owned a minority share) established *Cogebanque*.

Political frictions and allegations of corruption contributed to the decision to liberalise the financial sector. Kajeguhakwa and Kalisa were accused of embezzling funds from their banks in the mid-2000s.[31] Such allegations were part of broader schisms among RPF elites, which have been widely discussed in the scholarship on Rwanda (Prunier 2008, Behuria 2015). Observers (Kimonyo 2015) from within the President's Office in Rwanda have recognised that the early 2000s showed signs of increased frictions within the RPF. The decision to publicly tackle corruption also gained steam. Liberalisation of previously tainted institutions was one way to achieve this and frictions between elites contributed to the government strategy of reducing reliance on individual domestic investors and opening up to foreign investors. This occurred across most sectors of the economy and resulted in an

increased reliance on foreign investors, highlighting the government's unwillingness to trust wealthy Rwandan capitalists within the country.

Following this period, foreign banks were welcomed into Rwanda. In 2004, Actis acquired an 80 per cent stake in BCR. In the same year, Fina Bank acquired BANCOR from Rujugiro. In 2006, the government acquired *Belgolaise*'s shareholding in BK. BK then became 100 per cent government-owned. In 2007, liberalisation gathered pace, with Ecobank buying the struggling BCDI. In 2008, Dutch-based RABO bank acquired a 35 per cent shareholding in BPR. In 2009, three foreign investors acquired a 40 per cent shareholding in *Cogeban*que. In 2010, Nigerian-based Access Bank acquired BACAR. In 2011, Kenyan-based Equity Bank entered the sector. In 2012, I&M Bank acquired a 70 per cent stake in BCR. In 2013, GT Bank acquired a 70 per cent stake in Fina Bank. In 2014, Ugandan-based Crane Bank entered the sector. In 2015, there were 10 commercial banks in the sector, with the government retaining shares in BK, I&M Bank and BPR. There are also four microfinance banks, one development bank (BRD) and a military savings bank, Credit Savings Society Zigama. Atlas Mara (owned by Ashish Thakkar and the former Chief Executive of Barclays Bob Diamond) bought the BRD's commercial bank in 2015.[32] Sanjeev Anand, the former head of the I&M Bank, resigned from his post and took up a position as the Chief Executive of Atlas Mara's new investments. Atlas Mara invested $21 million and a merger of the BRD commercial bank and BPR was completed in 2016. The new Atlas Mara bank is now Rwanda's second-largest bank with assets worth $325 million (Tumwebaze 2016). Atlas Mara has received significant negative press recently, with one report (Kuo 2017) claiming that it lost 80 per cent of its market value in the last three years, Anand claimed that Diamond continues to make investments in Atlas Mara's banking operations.[33] Such investments will be important in Rwanda as Atlas Mara had invested in depressed assets. As of 2016, Atlas Mara's new bank had among the highest cost-to-revenue ratios

(around 95-96 per cent) in Rwanda's financial sector (Mwai 2017). Despite these problems, Anand was bullish on the bank's rapid recovery.[34]

As of 2017, Rwanda's banking sector comprises one large state-owned bank, several regional and pan-African banks and one bank owned by domestic investors. BK has been Rwanda's largest bank for the last two decades. Though the financial sector has been liberalised, BK's share of the market (by assets) increased from 23 per cent in 2008 to 36 per cent in 2013. In 2013, BK also had a market share of more than 30 per cent in terms of total assets, net loans, customer deposits and equity. In 2011, the bank reduced its shareholding through an initial public offering of 45 per cent of its shares on the Rwandan Stock Exchange, worth 62.5 million USD. Though the government officially has a minority shareholding in the bank, its total shareholding, combined with the Rwanda Social Security Board, stands at 54 per cent. International institutions, local investors and local institutions, retail investors and employees and directors retain the remaining shares. The IMF continues to pressure the government to sell its remaining shares in BK.[35] In the early 2000s, the government also explored the option of inviting a strategic international investor to take a majority shareholding in the bank.[36] This indicated inconsistencies between emulation for economic transformation (resisting IMF pressure) and emulation for market-led reforms (previously being willing to cede state ownership of banks).

There are only two banks in which local Rwandans retain a majority shareholding: BK and *Cogebanque*. These three banks have retained 50 per cent of the market share by assets between 2008 and 2014. Between 2011 and 2015, *Cogebanque* expanded rapidly and became the second largest bank in Rwanda (in terms of assets). This could have been interpreted as a signal that there was a shift in government strategy to ensuring local investors gained more control of the local financial sector. However, such aims may no longer appear

to be a priority since Moroccan investors were reported to be acquiring a majority shareholding in *Cogebanque* (Reuters 2016).

BK plays a contradictory role in funding strategic investments. It has among the highest interest rates for loans in the country while also remaining a significant lender for strategic investments.[37] Other than BK, the Rwanda Development Bank (BRD) is the key actor representing the developmental state model in the domestic financial sector. The BRD was established in 1968. Until 1974, most of its investments were concentrated in vehicles and grinding mills. Between 1974 and 1987, it financed several sectors of the economy, with over 6 billion Rwf extended to 501 operations. The BRD also owned equity shares in 23 companies. During this period, BRD investments created employment for over 8,400 people and added value of over 25 billion RwF. The BRD expanded until the genocide in 1994. It invested over 15 billion RwF, which contributed to employment to over 9,000 people during this period. Most investments were in agro-processing and manufacturing industries.

In 1994, the RPF took over the bank in a difficult position, with over 50 per cent of its portfolio comprising non-performing loans from before the genocide. Until 2000, most investments were in the form of rehabilitation of old ventures and modernization. After 2000, the BRD was mostly concerned with the rehabilitation of rural areas and the facilitation of export opportunities. In the early 2000s, the BRD invested in the coffee, tea and dairy value-chains.[38] In 2005, the BRD was charged with the task of being the 'financier' of Rwanda's development. Between 2010 and 2014, the BRD has maintained its position as the leading financier of medium- and long-term investments in the country. It has highlighted strategic areas for investment: energy, exports, education, agriculture and housing. The BRD has also financed investments in the tourism sector including investments related to Gorilla Hotel and a new hotel, which is now managed by Radisson.[39] The BRD mobilised investments for the special economic zone including investments worth 50 million USD (along with two other

commercial banks). Overall, loans have increased substantially on an annual basis, with 80 billion RwF worth of loans disbursed in 2016 as compared to 55 billion RwF in 2013 (Mwai 2016). Some new initiatives have included an Export Growth facility (EGF), which supports exporters dealing with prohibitive interest rates and accessing licenses and markets. In its 2016-2020 operational plan, the government has expressed its intention to increase its control of BRD and called for willing private investors to sell their shares. BRD also chose to begin commercial bank operations briefly but its role has now been limited to a development bank.

However, the BRD has been unable to meet the demand for strategic investments in the country. The Rwandan government has used several 'functional substitutes' to fill this need. The RSSB also partners with party-owned companies and military-owned companies on strategic projects. For example, it shared ownership with Crystal Ventures Ltd. in Building Materials Industries Ltd. (Ruliba Clays and East African Granite Industries). The RSSB also funded several construction projects in Kigali including the Pension Plaza and Vision City. In 2015, real estate projects comprised 21 per cent of its portfolio. The Rwandan Stock Exchange (RSE) was launched in 2012. Six companies are currently listed on the RSE. The government also issued a $400 million 10-year Eurobond in 2013, with an interest rate of 6.6 per cent (Mugisha 2013). The money was injected into large-scale strategic projects: clearing the debt of the national airline (Rwandair) and unfavourable government loans for the Kigali Convention Centre (approximately $200 million), the completion of the Kigali Convention Centre and five-star hotel – operated by the Radisson ($150 million), and the 28 MW Nyabarongo Hydropower project ($50 million). In 2015, an additional five government bonds and two corporate bonds were also being traded on the RSE (Gasore 2015).

The military has also developed financial institutions. Military Medical Insurance (MMI) and Credit Savings Society Zigama (CSS Zigama) provide banking and insurance facilities to military officers and police officers. In 2015, CSS Zigama boasted the highest

interest rates for deposits and the lowest interest rates for loans.[40] Initially, these institutions began with the purpose of 'keeping the money of soldiers safe' and also to 'discipline soldiers to start voluntary savings.'[41] These military institutions also invest in real estate and other projects, which are in line with national development goals. Examples include a housing estate in Kibagabaga in Kigali and the construction of a housing estate for soldiers in the Republican Guard. Such strategic investments are perceived to be part of 'the new security concept' in Rwanda where 'soldiers must contribute to the economy. We can keep waiting for an enemy to fight, which may never come.'[42]

The evolution of Rwanda's financial sector showcases the ways in which domestic politics and ideological inconsistencies have influenced the purposes for which emulation has been employed. *Emulation for economic transformation* clearly contradicts *emulation for market-led reforms* in this sector. The result has been to follow different contradictory policies within the same sector. The BRD, RSSB and the military institutions show alignment with developmental state models but financial liberalisation appears contradictory to such efforts.

Conclusion: Incoherent emulation and the construction of the Neoliberal Developmental State

Emulation is a widely used strategy in international development practice. This paper describes the Rwandan government's use of emulation for different purposes: economic transformation, market-led reforms and signalling the implementation of best practices. Rwanda's learning-oriented government deals with international pressures, domestic ideological contestation and political pressures to choose how different contrasting role models may be employed for varied purposes. However, unlike past developmental states, its

learning is not oriented with clear priorities. As one consultant mentioned, 'Rwanda tries to be everything to everyone. At some point, you realise that doesn't work.'[43] Choosing to emulate for different purposes has ended up imposing contradictory pressures in different sectors. In the financial sector, the goal to lend for strategic investments contradicts the goal of financial liberalisation (and the broader goal of becoming a financial sector hub). Studying the RDB demonstrates that different goals (signalling implementation of best practice and promoting a public image of Rwanda) has been prioritised over the goal of creating a nodal agency that would lead the country's development strategy.

Ideological contestation and domestic politics within Rwanda have interacted with international pressures in motivating how emulation has occurred. In Rwanda, a learning-oriented government has sought different models. However, the learning has not been geared in a particular direction or with a clear ideological thrust. It has experimented with different policies and ideological contestation within the government and the party has determined which models are emulated. However, the use of different models has ultimately led to contradictory policies within the same sector (as in the financial sector) and a lack of clarity about the prioritisation of which components of models (EDB) to emulate. Domestic politics has also motivated the ways in which emulation has occurred. RDB's role of a nodal agency has not been realised because ministries have been unwilling to cede power while liberalisation of the financial sector was motivated by internal frictions among domestic elites and consequently, corruption cases were initiated against them. Thus, in Rwanda, the incoherent emulation of different models has been a product of ideological contestation, domestic political economy considerations and international pressures.

Unlike literature that seeks to classify different African countries as developmental states, this article demonstrates how different models operate within the same country and often even within the same sector. In Rwanda, the goal to embrace market-led models and to

be perceived to employ best practices has often conflicted with its strategic state interventions (in line with its developmental state model). The result of these choices has been the creation of a neoliberal developmental state. Though a pragmatic learning-oriented government in Rwanda has used different role models, the application of emulative strategies for conflicting purposes hinders the country's development.

Acknowledgments

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NOTES

[1] The concept – developmental state – was originally applied to characterise the successful latecomer development experiences of Northeast Asian countries. Beginning with Chalmers Johnson's (1982) study of Japan and later followed by seminal studies of South Korea and Taiwan (Amsden 1989, Wade 1990)

[2] The term – neoliberal developmental state – was previously used by Liow (2011) to discuss the experience of Singapore. He argued that neoliberal policies were proposed after the developmental

state had emerged in Singapore. In contrast, this paper argues that Rwanda's neoliberal developmental state has emerged through the Rwandan government's learning-orientation during the process of economic recovery.

[3] Interview, National Bank of Rwanda, August 2016.

[4] Increased financial inclusion has been achieved through the use of microfinance instiutitons and Savings and Credit Cooperatives (SACCOs). Despite these increases, only 26 per cent of Rwandans use formal commercial banks.

[5] Interview, Senior RPF ideologue, May 2013.

[6] See Routley (2014) for a recent review of the literature on developmental states.

[7] Interviews, senior RPF cadres, May 2012 and May 2013.

[8] Interview, Tito Rutaremara, January 2015.

[9] Interview, Tito Rutaremara, January 2015.

[10] See Booth and Golooba-Mutebi (2014) for a discussion of the RPF's learning orientation in the agriculture sector.

[11] See Crisafulli and Redmond (2012), Chu (2009), Thomas (2016).

[12] Interview, RWASHOSCCO representative, March 2012.

[13] Interview, Special Policy Unit in the Office of the President, January 2015.

[14] Though Booth and Golooba-Mutebi (2012) acknowledge that there are some differences with East Asian countries, these differences are never mentioned or become the subject of analysis in their study.

[15] REMA was re-established as the national authority for environmental protection and conservation in 2013.

[16] Interview, American investor, April 2012.

[17] Interview, Clare Akamanzi, January 2015.

[18] Interview, RDB Official, November 2012; Interview, MINECOFIN Official, December 2012.

[19] Interviews, RDB repreesentatives and consultants, March and May 2012.

[20] Interviews, foreign investors and foreign consultants, March-May 2013.

[21] Interview, foreign consultant in RDB, April 2012.

[22] Interview, foreign consultant in RDB, May 2013.

[23] Interview, Doing Business Unit, April 2012.

[24] Interviews, local and foreign investors, October 2011-May 2012.

[25] Interview, Ministry of Commerce and Industry official, March 2012.

[26] Interview, Ministry of Finance and Economic Planning official, November 2011.

[27] Interviews, RDB's younger employees, January-May 2012.

[28] Interview, RDB employees, January-May 2012.

[29] Interviews, RDB officials and MINICOM officials, January 2015.

[30] Interview, MINICOM official, August 2016.

[31] One newspaper article charged that Kalisa, who owned 31 per cent of shares in BCDI, illegally authorised loans to himself, his wife, sister and brother worth 800 million RwF (Mutara 2008). After being imprisoned for several years, he was pardoned in 2010. Kajeguhakwa was charged in 2001 and escaped to the United States. He became a vocal opponent of the RPF.

[32] BRD retained 25 per cent of shares.

[33] Interview, Sanjeev Anand, June 2017.

[34] Ibid.

[35] Interview, BK representative, August 2016.

[36] Interview, BK representative, May 2012.

[37] Interview, BK representative, August 2016.

[38] Interview, BRD representative, January 2015.

[39] Interview, BRD representative, January 2015.

[40] Interviews, CSS Zigama and senior military official, January 2015.

[41] Interview, CSS Zigama, January 2015.

[42] Interview, CSS Zigama, January 2015.

[43] Interview, Consultant, May 2013.