

Robin Pohl

Transboundary Cooperations in Rwanda

Organisation Patterns
of Companies, Projects,
and Foreign Aid Compared

From:

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How is transnational cooperation practically conducted in the East African country of Rwanda, and how is it organised? Can the worlds of development aid and private business be compared?

In this ethnography, Robin Pohl identifies the organisational patterns used by Rwandan, European and Indian partners. Different types of agencies, companies or projects each relate foreign activities differently to their local environment. The effects of potential divisions at the global level turn into assets or liabilities on the operative level of transboundary cooperations, depending on their context.

Robin Pohl (Dr. phil.), anthropologist, specialises on the practice of cooperation across social boundaries, and on doing field research in organisations and technical environments.

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Foreword

The present study seeks to address the question of how cooperation between international actors and their local partners is conducted in the East African country of Rwanda. Since my first visit in the field I realised the unspoken relevance of this topic and attempted to understand the structures of collaboration and the exchange of ideas. One of the initial guesses was that the settings in which the involved individuals meet and work are playing a major role in the creation of mutual approximation. Following up on that idea I also wanted to know more about the structural differences between the worlds of development aid and private business. I was subsequently presented with opportunities to conduct more in-depth research. The focus lay above all on the organisational behaviour of cooperations between Rwandan, European and Indian protagonists. This account should, therefore, not be understood as a depiction of the country of Rwanda or the culture of its inhabitants. It rather is a study of different organisational patterns which are in use by transnational actors of small and large scale. The research builds on anthropological approaches to otherness and concepts from organisation sociology. The presentation has retained the character of an ethnographic field study in which the development of insight follows a set of transparent steps. The ostensibly immediate derivation of the analytical model from the empirical material was, for the most part, left unaltered. In this manner, the present manuscript fulfils the purpose of both depicting research results and illustrating the methods developed. Helpful analytical tools are explained and several approaches arise for practical use.

1. Introduction

This study examines cooperation structures of organisations and enterprises from Europe and South Asia with actors from East Africa, specifically Rwanda. At first I found the international presence in Rwanda to be astonishingly high for a country of such a small size. Like other African societies, it seemed to experience a high input of foreign activities customised to African environments, and of domestic ones tailored to interaction with external interests. In line with this observation, I aim to provide an in-depth comparison of some of the underlying organisational patterns that shape transnational cooperations between foreign and domestic actors in a dynamic but challenged East African social environment.

As an introduction to the topic, imagine a world in which there were no differences between African and European societies: some transnational actors would benefit from this situation, while others would certainly suffer. Some types of activity would almost become impossible, while others would just be different or hardly be affected at all. In other words, potential divisions on the global scale turn into assets or liabilities on the operative level of transnational cooperations, depending on their individual settings and paradigms.

I have taken a look at various types of organisations and some important forms of activity that sustain foreign-domestic cooperations in Rwanda. A first glance at the country calls to attention the massive challenges it is facing, as well as a number of distinctive potentials at its disposal. The domestic situation and the regional political development have been the focus of attention for quite some time, yet mostly for reasons other than research on organisation and cooperation structures. However, the present book is concerned with the question of which empirically observable elements play a role in the constitution of the implicit organisation patterns on top of which trans-continental actors enfold their businesses, projects and aid agencies. In Sub-Saharan Africa, several types of actors can be found where strikingly different models of how one's own activity relates to the local context are in place. Furthermore, these forms of interaction are rooted in implicit

understandings of how the inherent transcontinental boundaries are to be perceived and crossed.

Three practical reasons demand the development of additional expertise in this field: First, civil society actors play an increasingly important role in African¹ globalisation while the diversity of their types and objectives seems to be largely unresearched. Second, the daily affairs of cooperations are usually managed through projects, companies, agencies, subsidiaries, NGOs or joint-ventures, thus through organisations of various kinds that are maintained according to the priorities of their stakeholders. And third, the actual in-depth knowledge of how much the structural settings of such international cooperations really matter is still inadequate, both on the side of foreigners and domestic actors. Most of the publicly available expertise in the field has been acquired within the foreign aid sector, which therefore assumes an important role as a starting point for further comparisons.

Taken together, these three points constitute a backdrop before which a fresh comparative approach to the activities of companies, foreign aid and projects seemed both mandatory and manageable. It is the goal of this book to lay the foundation for the assessment of transnational cooperation structures in the micro-environments of developing Rwanda. The reader may adapt these findings to other countries and circumstances, which certainly is useful. I strongly encourage the application in post-conflict, poorly developed and weakly institutionalised countries, or any other place with a high density of international organisations and a strong local dependency on external resources.

Cooperation substructures

Countries classified as ‘least developed’² and ‘post-conflict societies’ form a special field of international cooperation. Transnational organisations or ventures, much to the same extent as the so called international community as a whole, often have a great impact and gain a high standing within these countries; institutional weaknesses and an undifferentiated openness of the socio-economic environment render the activities of foreign stakeholders both visible and influential. At the same time, this leaves foreign stakes comparatively vulnerable and exposed. Countries falling under this characterisation, as Rwanda does in several aspects, might benefit from the direct inflow of global expertise. That being said, they often serve as theatres in which transnational actors are able to pursue their own interests with less formal restraint than in industrialised countries.

1 In this book I speak about Sub-Saharan Africa when ‘Africa’ is used.

2 The term ‘least developed country’ (LDC) is used for countries that are scoring low according to the common development indicators.

For organisations that cross the boundaries of the social spaces between Europe (and Asia) and the developing parts of Africa, certain elements in their operative ‘substructures’ can be identified that demand a new empirical and theoretical approach. In the course of their operation, these trans-boundary activities frequently display elements of an organisational behaviour, which might go unnoticed at first, but in fact demands a closer look. What makes the subject so interesting is that these transnationally connecting organisations are partially driven by factors that cannot simply be explained by recourse to their tasks or goals, by the effects of globalisation or by any specific conditions in African environments. During the research process it was of interest to uncover some of the parameters that are fundamental to organisational practice in such circumstances. The issues under examination are almost entirely remote from the self-appraisal of the organisations involved and their members. Once consciously appraised, however, they appear to be self-evident.

The background idea

This study introduces for the first time an analytical framework that provides a language for the assessment of transnational activities in African civil societies. The idea was inspired by the notion of “transboundary formations” developed by Callaghy, Kassimir and Latham (2001). My study revealed that their concept is effective in its aim – assessing global-local networks of power in African environments of political crisis. However, it falls short in the face of formally legitimated transnational organisations and companies, which is the field I attempted to cover.

At this point it is necessary to undertake an important fine-tuning to the conceptual baseline of the book. In order to describe the common nature of the examined structures, I am going to speak of them as ‘transboundary’ cooperations, in place of ‘transnational’. The major gain of this shift is that we can ask questions about the boundary itself, instead of taking for granted the common assumptions about its properties. For the East African, European and South Asian actors described below it turned out that they all had their particular ways of dealing with the divergences and separations in the field. Among this set of actor types each of them developed their very own, specific assurance of the boundaries they are crossing. These assurances are then enacted through the organisations themselves.

The present study is based on qualitative fieldwork conducted in various organisations and companies of different size, ranging from small to large scale. In line with the comparative nature of the analysis the focus is directed at the underlying patterns of collaboration rather than the actual content of the activities.

Combined these issues lead to questions:

- In what way are the objectives and purposes of foreign activities in African countries influenced by the fact they are taking place in Africa?
- How do different kinds of foreign activities in African countries tend to behave in terms of their organisational structure, goals and internal control? Can we compare different types of companies, foreign aid and projects?
- In what kinds of local settings do they operate?

Points of departure

There are two central concepts in this book. The first one is *Transboundary Cooperation*. For my purpose, the term refers to organisational forms of any kind that carry out activities of foreign actors in Rwanda in collaboration with local counterparts. It begins with the notion that European and Asian actors in Sub-Saharan Africa are intentionally crossing continental and social boundaries and are shaped by this circumstance (Chapter 2). The second central concept is the notion of *global and organisational heterogeneity*. Divergences within Transboundary Cooperations and between their protagonists become implicitly manifest on sociocultural, societal, mental and also strategic levels. They tend to become embodied in the organisation structure in the form of underlying differences and diversities. The ways in which a given organisation ‘understands’ the nature of globalisation, and of globalisation’s heterogeneity, has a significant impact on the outcomes of its local affairs. Some types of transboundary activities take for granted the existence of marked differences between the participating social spaces, where others seek or imply a more universal communality in the cooperation. The epistemology and practice of transcontinental cooperation are deeply affected by these issues (Chapter 3).

Empirical approach and overview of case studies

The findings presented here are based on anthropological fieldwork. According to the focus on commonplace cooperations the research took place in formalised and legalised organisations that work for defined purposes. Furthermore, I compare European-Rwandan activities with the habits of traders from the Indian diaspora. The reason for this selection is the symbolical and historical importance of European actors for African globalisation and the high relevance of Indian migrant communities in Eastern Africa. Seven case studies were thus conducted in organisational settings where external actors either became inserted into local settings or created their own agenda within the domestic socio-economic environment.

Each case study, and thus each of the observed organisations, agencies or companies, represents a distinctive type of activity. These different types are subject to their own organisational self-concept and specific local interactions, corresponding to their particular modes of activity.

The field sites were mainly approached from the viewpoint of their trans-boundary character. As a multi-sited ethnography, the cases are treated individually, then subsequently combined into a concise picture of the field as a whole. We cast a first glance at the cases involved in the following:

- Case 1: *Project experts and a bilateral development agency*. A German agency as an example of a mid-sized project organisation with a focus on the local secondment of expatriate personnel. Development assistants, technical experts and local counterparts at their workplace and in cooperation projects.
- Case 2: *Multinational beverage corporation*. A local subsidiary of one of the world's large beer producers. Management and work relations are entirely characterised by a multinational enterprise setting. At the time of research, the organisational culture was undergoing a period of adjustment, as former relationships between domestic, social and cultural demands, as well as the strategies of the corporation were in a long-term process of rearrangement.
- Case 3: *German contractors for media systems*. Short term projects for the installation and implementation of technical equipment for Rwandan customers. The contractor's regular activities are predominantly situated in their own German markets, and there has therefore been no previous business contact with Rwanda or Africa.
- Case 4: *Rwandan construction enterprise*. In several ways a typical local company, but with a special client focus on European organisations and an outstanding ability to cater to foreign customers.
- Case 5: *German food and catering enterprises*. Operated by Germans who became residents in Rwanda. The owners follow their own standards but are nevertheless subject to the conditions of the local environment. In legal terms, they are normal Rwandan companies but in practice many aspects of transnational actors are relevant.
- Case 6: *A mixed arena: energy crisis and Millennium Development Goals*. A complex setting that involved various actors with different backgrounds and strategies. They were connected through their involvement in a Public Private Partnership (PPP) programme dealing with rural electrification and the situation of the Rwandan energy crisis from the years 2005 – 2006. This case study describes in detail (1) the donor agency that promotes a PPP programme, (2) a potential private small-scale investor consisting of a Rwandan-German group,

and (3) the public power and water utility under a foreign management contract in a privatisation framework.

- *Case 7: Indian traders.* South Asian entrepreneurs have a long history in East Africa and play a vital role in local trade. They are embedded in diaspora networks, and follow life strategies that encompass commercial activities to the same extent as individual and cultural affiliations. This case study highlights the situation of a successful trader.

Analytical framework

The seven case studies are presented one by one (Chapter 4), and then subsequently taken up for comparison. The analytical framework was derived from the ethnographic material itself. Three main aspects were found to be most relevant for explaining the structural patterns of Transboundary Cooperations:

- (1) *Local embeddedness.* The depth and nature of the intersections between a transboundary organisation and the surrounding social environment. The extremes are to be wholly assimilated or locally disconnected.
- (2) *Institutional vs. technical orientation.* Organisational objectives and their operative orientations can be derived either from the technical environment (task fulfilment, technical effectiveness, commercial gain) or from the institutional environment (seeking legitimisation, compliance to institutional demands).
- (3) *Management of heterogeneity.* Implicit concept of transboundary relations in structural and epistemic ways. Here, the extremes are a universalistic approach or an assumption of relativism that builds on bilateral differences between actors. (The analytical framework is dealt with in Chapter 5.)

In the final step a synthesis of parts reveals several conclusions (Chapter 6). The identified types of transboundary actors are summarised. Then, relationships between local embeddedness and institutional dependencies are demonstrated. A deep-seeded mismanagement of heterogeneity is highlighted that renders development aid less efficient than desired. Finally, the ‘colourblind’ and the ethnic form of transboundary capitalism are discussed.

Outcomes

The most important achievements of the study can be summarised as follows:

- An empirically founded concept of Transboundary Cooperations was developed.
- Several important types of transboundary actors were discovered and described.
- The ‘processing’ of social and cultural heterogeneity could be empirically observed in organisational contexts. It can further be related to epistemic foundations that are rooted in the organisational substructures.
- A terminology of transboundary activities from the viewpoint of organisations, actors and institutions could be created and applied.
- Insight into a variety of case studies spanning a wide area of activities.
- A deep comparison of development aid and private business from the viewpoint of their transboundary nature.
- Empirical differentiation between ‘colourless’ and ‘ethnic’ forms of capitalism.
- Contribution to the question of which type of Transboundary Cooperation generates favourable outcomes for its stakeholders and local society.
- The overall concept and the practical considerations described should be sufficiently independent of the Rwandan context to be applicable to similar environments as well.