Youth development success amongst motorcycle taxi drivers in Kigali

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Rwanda has experienced enormous successes in combating poverty. However, it is not clear why. This research suggests that youth development in the motorcycle taxi sector in Kigali is mainly driven by informal economic arrangements, specifically between young men, many of whom are migrants without advanced education or promising backgrounds, and local entrepreneurs who invest in the young men’s futures. However, the success of the moto sector, and the social systems underpinning it, has remained largely unrecognised, and in many cases are threatened by government and other programmes. This is most evident in moves to formalise and control motorcyclists’ work, transport in Kigali city, and urban design itself.
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List of abbreviations

ASSETAMORWA Association of Taxi-Motos of Rwanda
ATAMIMORWA Association of Taxi Mini-Motos of Rwanda
ATAVEMORWA Association des Taxis Vélomoteurs du Rwanda (Association of Taxi Mopeds of Rwanda)
EDPRS Economic Development and Poverty Reduction Strategy
EICV Enquête Intégrale sur les Conditions de Vie des Ménages (Integrated Household Living Conditions Survey)
FAR Rwandan Armed Forces
FERWACOTAMO Fédération Rwandaise des Convoyeurs du Taxi-Moto (Rwanda Federation of Taxi-Moto Drivers)
GDP Gross Domestic Product
GoR Government of Rwanda
KCC Kigali City Council
MIFOTRA Ministry of Labour
MINECOFIN Ministry of Economics and Finance
Q3 Third Consumption Quartile
RCA Rwanda Cooperative Agency
RDF Rwandan Defence Force
RPA Rwandan Patriotic Army
RURA Rwanda Utilities Regulatory Agency
RWF Rwandan Francs
SYTRAMORWA Syndicate of Taxi-Motos of Rwanda
UNATAVE Union des Taxis Vélos (Union of Bicycle Taxis)

Abbreviated references used in the text

1 Summary

Motorcycle taxis or ‘motos’ are an important part of Kigali’s public transport infrastructure. They are frequently represented in the press and by policy-makers as a regrettable feature of life in the city, as a nuisance and a menace. This is mainly a result of their involvement in accidents, something which is routinely connected to accusations of anti-social behaviour on the part of motorcyclists. While the challenges presented by the moto sector are real, what is less often appreciated is the enormous contribution that the sector makes to youth development in the city. This report provides a preliminary analysis of qualitative research into youth development in the sector and its causes.

The moto sector employs and supports a very large number of people. 10,486 motorcyclists are recorded in official databases. A conservative estimate suggests as many as 47,187 people depend on motorcyclists for their livelihoods, or 4.5% of the city’s population. Motorcyclists are organised into two competing organisations, FERWACOTAMO and SYTRAMORWA which provide security and management functions, as well as being tasked with the development of their members.

In many respects, motorcyclists are typical of Kigali’s population: they are young, with the vast majority aged between 18 and 35 and around half are migrants to the urban zone. The long-term effects of population dynamics and government development programmes make youth migrants to cities a population of enormous strategic significance. Previous research suggests that Kigali’s youth face severe poverty and insecure livelihoods. However, although typical of Kigali’s youth in many respects, motorcyclists are not poor and enjoy relatively high and stable incomes.

The success of Kigali’s motorcyclists reflects general trends in Rwandan poverty reduction. Poverty in the country has declined substantially in recent years, from 58.9% in 2000/01 to 44.9% in 2010/11. Poverty reduction is associated with a decline in inequality: poorer people have benefitted more from recent economic growth. The reasons for this trend in recent years are not well understood. An examination of the moto sector in Kigali offers some insights into this question.

Motorcyclists’ success cannot be attributed to education or privileged backgrounds. Motorcyclists are neither well educated, and have unremarkable backgrounds. Their relative affluence can only be attributed to their occupation: the success of motorcycle taxi drivers is an effect of their job, which is skilled, capital-intensive, and has a large and lucrative market. An explanation of the youth development success of the sector must begin with an analysis of how motorcyclists get access to motorcycles.

Very few motorcyclists get access to bikes through their formal organisations, FERWACOTAMO or SYTRAMORWA. This is a result of the limited capacity of these organisations, and lack of demand for loans, which they are capable of arranging. Indeed, motorcyclists express deep mistrust of their organisations, which they regard as being successful in ensuring security, but ineffective in providing development assistance.

The vast bulk of motorcyclists get access to motorcycles through an informal system of rental or lease agreements between individual youths and small-scale local entrepreneurs or ‘bosses’. This ‘boss system’ is highly effective in providing motorcycles for young men to ride and, ultimately, in supporting them to acquire machines of their own. In contrast to their attitudes to state and parastatal agencies, motorcyclists trust their bosses and feel that the system supports them in achieving development.
As a transfer of working capital and livelihood opportunities from the relatively well-off to the relatively poor, the boss system is highly consistent with national poverty reduction trends. The boss system clearly explains why Kigali’s motorcyclists are so much better off than many of the city’s youth. The effects of such an informal livelihood system may also offer some clues as to the causes of Rwanda’s poverty reduction success.

The boss system and its impact on youth development amongst Kigali’s motorcyclists may provide broader lessons for national development. Government development programmes in Rwanda are focussed on economic formalisation and modernisation. Such programmes threaten the existence of informal networks and systems such as the boss system among motorcyclists. This is evident in official policies towards the moto sector, and the planning of public transport in Kigali, as well as in national-level policies. As the reasons for poverty reduction are so poorly understood, policy-makers would be well-advised to consider the impact of formalisation and modernisation projects on informal economic arrangements; their destruction might sacrifice gains already made in poverty reduction in the country.
2 Background

In order to understand the youth development success of the moto sector in Kigali, it is necessary to take stock of the structure and extent of the sector and its impact on the livelihoods of the city’s residents.

2.1 The motorcycle sector in Kigali

There are a very large number of motorcyclists in Kigali City. As of September 2012, 10,486 motorcyclists were registered with cooperative and syndicate organisations in the city. The population of Kigali, according to the most recently available statistics, is 1,059,000 (EICV3, Table 1.1.1). This means that fully 1% of the population of the city are motorcyclists, or one in every hundred people. When only the adult population of the city is considered, 661,000 people aged 15 or over, this rises to 1.6% of the working population (EICV3, Table 1.1.2).

Demographic data gathered for this research indicated that the mean household size amongst motorcyclists is 4.5, close to the mean for households in the city, 4.7 persons (EICV3, Table 1.1.9). Taking the more conservative estimate of 4.5, this would mean that 47,187 people are supported directly by the motorcycle taxi sector, or 4.5% of the population of the city.

These are almost certainly underestimates. Almost a quarter of the motorcyclists interviewed for this research are either not cooperative members or do not have regular access to a motorcycle. They therefore do not appear in official records of motorcyclists. The official figure of 10,486 motorcyclists therefore is an underestimate of the total. Nor, of course, do these figures take into account the mechanics, spare parts sellers, car washers or motorcycle owners who depend on the sector to make all or part of their living.

The motorcycle taxi sector in Rwanda as a whole, and certainly in Kigali, is growing strongly. Nationally, the number of authorised moto taxis increased by 280% between 2009 and 2011, while the number of vehicles used in public transport overall increased by 233% (Rwanda Utilities Regulatory Agency, 2011). This is in large measure an effect of a streamlined vehicle licensing policy, with more frequent examinations and, many respondents suggested, easier tests. It may also reflect income growth among ordinary Rwandans, which would be consistent with national success in poverty reduction. The growth of the sector means that, barring restrictive policies, it is set to become more significant as a source of employment in the future.

While minibuses provide the backbone of Rwanda’s public transport system, motorcycle taxis are extremely important. This is especially true for people who live away from major roads, in areas not served by buses. Motorcycles can negotiate even the extremely poor quality roads which serve many of Kigali’s peri-urban, rural and poorer urban neighbourhoods. They are also important for people travelling after 9pm, when bus services are restricted or nonexistent, and at peak times when their ability to negotiate heavy traffic enables people to move around the city swiftly.

2.2 Organisation

The motorcycle sector in Kigali is divided between two competing organisations, FERWACOTAMO and SYTRAMORWA. FERWACOTAMO is a federation of cooperatives under the 2007 Law of

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1 All but a tiny minority of motorcyclists are men. At least two women were driving during the research period, but as a tiny minority, they were not interviewed.
Cooperatives (Republic of Rwanda, 2007b). Founded in 1987 as an informal association, ASSETAMORWA, it was converted into a Federation and re-named FERWACOTAMO in 2008. SYTRAMORWA evolved from an association of bicycle taxi operators UNATAVE into an association of taxi vélocimoteur drivers, ATAVEMORWA then ATAMIMORWA. In 2012, with new regulation from MIFOTRA, it assumed its current identity.

Both SYTRAMORWA and FERWACOTAMO officials emphasise the legal basis of their organisations as representing their formal recognition, which increases their bargaining power, for example with banks, and which also establishes them as subordinate to government ministries - MINECOFIN via RCA in the case of FERWACOTAMO, MIFOTRA in the case of SYTRAMORWA. Between 2008 and 2012, therefore, the moto taxi sector has undergone a process of formalisation, in common with many other informal sectors in Rwanda.

FERWACOTAMO is by far the larger of the two organisations, with 6,882 authorised members in Kigali, compared with SYTRAMORWA’s 3,604. Within the project area, SYTRAMORWA has very few members. SYTRAMORWA officials reported that they had 400 members in the Nyarugenge zone, whereas there are some 2,500 FERWACOTAMO motorcyclists operating in the same area. This report therefore mainly relies on evidence from FERWACOTAMO members, although their views did not differ significantly from those of the few SYTRAMORWA riders interviewed.

Both organisations aim to perform similar functions. It is mandatory for a motorcyclist to belong to one or other of these organisations, which guarantee the identities of motorcyclists and vouch for them. The organisations are capable of acting as intermediaries between motorcyclists and banks and between motorcyclists and motorcycle owners. Both FERWACOTAMO and SYTRAMORWA also purchase motorcycles for their members to ride, operate driving schools, offer credit to members and perform various other development functions.

Importantly, both organisations both attend to the security of the motorcycle sector. Until recently, the sector was widely viewed as lawless and dangerous. It appears that robbery, theft and violent crime were common, with motorcyclists as both victims and perpetrators. There were large numbers of unauthorised and in many cases unlicensed riders. At least since 2008, both organisations have made great efforts to improve this situation, through tougher licensing rules, the use of numbered gillets for registered riders and other measures. In 2012, FERWACOTAMO and SYTRAMORWA launched a unified security branch with uniformed security guards patrolling the city to check motorcyclists for infringements. This has been accompanied by the development of a database recording details of all registered motorcycle taxis in Kigali, as well as their owners and riders. Motorcyclists agree with the leadership of both organisations that their physical security has markedly improved over recent years.
3 Project methodology

Previous research on the relationship between youth and government in Rwanda has highlighted problems of communication and understanding between young people and the institutions which govern and represent them. The project therefore focussed on motorcyclists and their experiences, rather than relying on policies or official representations concerning motorcyclists. The project methodology was therefore designed in order to elicit the views of motorcyclists in contrast to the views of those in government or other positions of responsibility. This should not be taken as a critical stance, but as a constructive effort to highlight areas in which the relationship between youth and state or parastatal authorities is problematic.

The project was undertaken within the discipline of anthropology, and used well-established anthropological methods. These methods are qualitative; they depend on recording in detail what people say and how they say it in order to provide data on how people understand important features of their lives.

Qualitative research differs from quantitative or statistical research in many ways, most obviously in terms of the size of the sample used. Quantitative or statistical operations normally require at least 1,000 respondents, drawn at random from a population, in order to provide results with a high level of confidence. By contrast, qualitative researchers normally use far smaller samples. The validity of qualitative research does not depend on the number of respondents, but on the detail and depth with which their ideas are recorded. The validity of the research depends on the quality of the data, not on the quantity of responses.

Anthropological research depends on establishing relationships with people. Ideally the people who are the subject of research should form a community of some kind. As such it was necessary to limit the geographical scope of the study. While by selecting one area of Kigali as the focus of research, the project sacrificed some comparative possibilities, it enabled higher quality data to be gathered from a limited group of respondents who were personally known to the lead researcher, who regularly met with them. Nyamirambo in Nyarugenge District was selected as the geographical focus of research.

It is important to note that the selection of any research sample depends on existing data, which form a baseline for sample selection. No social data relating specifically to motorcyclists exists. Hence, while a geographical selection was a practical requirement for the project, further research would be necessary to determine whether a different area in the city would have produced different results.

The data presented here was collected through a series of defined research phases, designed so as to provide pertinent, relevant and high quality information on the lives of motorcyclists.

3.1 Ethnographic investigation

The validity of qualitative research depends directly on the detail and depth with which people’s ideas and their responses to a researcher’s questions can be recorded. In order to elicit this data from respondents, it is vitally important to ask the right questions. The right questions in this context mean questions which relate directly to the social situation and the concerns of the people under study.
Anthropologists and other qualitative researchers use ethnographic methods to gather this data. Ethnographic research involves intense informal contact with a small research population and rigorous recording of what people say and do. Through this method, an investigator can build up a picture of the patterns of people’s social life, and gain access to their concerns and the opinions they voice in their everyday lives.

Ethnographic research was conducted at one motorcycle taxi stand in Nyamirambo, served by approximately 300 motorcyclists but with around fifty regular daytime riders and a large cluster of unemployed motorcyclists looking for work. Through almost daily contact, assisted by a translator as needed, the lead researcher developed friendships with many of these motorcyclists. These relationships of trust allowed the collection of detailed data on their concerns and ideas on a wide variety of issues, which were recorded in some 600 pages of notes. The data from this phase of the research was used to develop questions posed in formal interviews, which were conducted to identify trends and points of comparison between motorcyclists’ views.

3.2 Demographic survey

In order to contextualise the ethnographic data, a demographic survey was conducted at the main ethnographic research site. This recorded the ages, levels of experience, origins, income and other key data relating to these motorcyclists. This data was subsequently used to estimate average incomes and other key indicators: other motorcyclists, less well known to the research team, were unwilling to volunteer information relating to income, for example.

3.3 Structured interviews

Based on the data from the ethnographic phase of the project, a schedule of questions was developed which were used in 38 structured interviews with 62 motorcyclists throughout Nyamirambo. These questions drew on issues raised in previous youth research in Rwanda, to enable comparison, but were constantly referred to the ethnographic data to ensure their relevance. Great care was taken in translating them into Kinyarwanda and they were refined and field tested to ensure that they were comprehensible. Interviews ranged from half an hour to two hours. To protect respondents’ identities, voice no names or other identifying details were recorded, and voice recorders were not used. Detailed notes taken during the interview were written up immediately afterwards, preserving to the greatest extent possible the ways in which respondents expressed themselves and the emphases of their answers.

Structured interviews enabled the research team to gather data from motorcyclists which allowed comparison and the identification of trends more effectively than the informal data gathered during the ethnographic research phase of the project.

The interview questions were designed to investigate the everyday lives of motorcyclists; their background, experience and view of the sector as a whole; their views of development and efforts to achieve it for themselves; their relations with state and parastatal agencies; and their views of the challenges they face. The schedule also collected further demographic data. The interview schedule is reproduced in Box 1 below.

While representing a relatively small sample - although comparable with other, similar projects - the interviews yielded large volumes of detailed data. Motorcyclists were pleased to be interviewed, and many expressed satisfaction at the opportunity to air views which they felt went otherwise unheard.
Indeed, it was initially intended to administer 30 interviews, but the enthusiasm of motorcyclists to be interviewed allowed the research team to surpass this target. When the team stopped collecting interview data, new or surprising responses to the interview questions were very rare. As such it would appear that motorcyclists views on the questions posed are well represented by the responses collected.

3.4 Interviews with officials

While the focus of the research was on youth views of development, points of comparison with the views of policy-makers, officials and other stakeholders were also elicited in a series of semi-structured interviews. Respondents included the Commander of Traffic Police, officials in RURA and KCC, the leadership of FERWACOTAMO and FERWACOTAMO cooperatives in Nyarugenge, all of whom were generous with their time and volunteered invaluable information regarding the policy and institutional environments in which motorcyclists operate.

The project methodology detailed above provided considerable and persuasive evidence relating directly to the following issues:

- Motorcyclists in the context of Rwandan youth, especially their relative economic success
- Factors affecting the economic success of motorcyclists
- Relations to government, parastatal agencies and development schemes and their effect on motorcyclists livelihoods
- Informal structure of the motorcycle sector and its effect on motorcyclists economic outcomes

A preliminary interpretation of this data suggests that the case of motorcyclists in Kigali offers insights of some importance for the relationship between GoR and its overwhelmingly youthful population, providing a model of success and an indication of the reasons behind that success. This interpretation is offered in the sections which follow.
Interview schedule for motorcyclists

A. General concerning work
   1. How do you spend a normal day?
   2. Can you describe a good and bad day?
   3. How do you spend the money you make in a day?
   4. How many people depend on your work?
   5. Is this your only source of income?

B. Working history
   6. How did you get this job?
   7. Can you compare the way you live now to your life in the past?
   8. How would you describe the situation of motorcyclists in Kigali? Can you compare your situation to other people with different occupations?

C. Aspirations and development
   9. Do you have a plan for improving your life in the future?
   10. Who might help you with this plan?
   11. What does development mean to you?

D. Organizations and government
   12. What organizations or agencies affect your job? What effect do they have?
   13. Give advice to these organizations to improve your life

E. Social relations and security
   14. What problems do you face in this job?
   15. What does security mean to you?
   16. Who will help you if you have a problem and can’t work?

F. Demographics
   17. Age
   18. Time in this job
   19. Origin
4 Motorcyclists, youth and national development

Motorcyclists in Kigali have three key characteristics as a population: they are young; a high proportion of them are migrants from the countryside; but perhaps surprisingly given the two characteristics just identified, they are not poor.

4.1 Youth

The Government of Rwanda defines people aged 14-35 as ‘youth’ (Sommers 2012, Ministry of Youth). This group is highly significant in one of the youngest populations in the world. 83% of Rwandans are under the age of 40 (EICV3, p. 28) and more than three in four people are under 35 years old (EICV3, Figure 1.1.1; see also EICV3 Youth Report).

Motorcyclists reflect these national trends. 86% of those interviewed were under 35. Of the motorcyclists interviewed for this research, the oldest was 45, the youngest 18. The mean age of motorcyclists was 29 and the median age 28. Motorcyclists were asked to give their age and the number of years they had been riding. This data suggests that some riders, especially those with long experience in the profession, began riding as young as 12 and beginning work at 16 appears to be common.

Motorcyclists regard their job as a profession for young people. The vast majority of the riders interviewed expressed a wish to leave riding motorcycles sooner rather than later. Motorcyclists explained this in terms of the risks and hardships involved in driving motos and occasionally in terms of declining incomes. It is important that driving a motorcycle taxi is generally regarded by motorcyclists themselves as a young man’s profession. By the Government of Rwanda’s definition, and their own account, motorcyclists are clearly ‘youth’.

4.2 Migrants

The current Government of Rwanda is the first ever to permit free internal migration in Rwanda. Levels of migration, especially to Kigali City are high. Around 1 in 5 Rwandans are thought to have migrated in the last five years, which rises to almost a quarter of Rwandans aged 20-34 (EICV3, Table 1.2.1).

A great deal of this migration is from the countryside to urban areas, especially Kigali. The latest available data show that 58% of Kigali’s population is constituted by migrants who arrived within the past five years, of whom international migrants represent an insignificant proportion (EICV3, Table 1.2.1). While the majority of internal migrants move from one rural area to another, Kigali received 27% of all Rwandans who moved province in the last five years and was the only destination to increase its share of the migrant population in the last five years (EICV3, Figure 1.2.3). Employment appears to be a major driver of migration: 54.2% of migrants to Kigali gave ‘employment’ as the reason for migrating, while another 28.0% gave ‘family’ excluding marriage (EICV3, Table 1.2.3).

To a large extent fuelled by this migration, Rwanda has one of the most rapidly urbanizing populations in the world. Direct year-on-year comparisons of the population of Kigali are difficult to

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2 As a measure to avoid ethical or other conflicts, the research deliberately avoided interviewing persons aged under 16.
3 Previous governments had encouraged controlled migration to address particular demographic issues (EICV1).
make because the extent of the urban district has increased owing to successive boundary changes. However, the 2002 Census shows that the population of Kigali was 115,990 in 1978, 235,664 in 1991 and had increased to 608,141 by 2002 (National Census Service, 2002). Today the population of Kigali is 1,059,000 people, up from 913,000 in 2007 (EICV3, Table 1.1.1). Although this dramatic growth has come about in the context of boundary changes and administrative restructurings, around 84% of the current population of Kigali is urban despite the addition of many rural areas to Kigali City (EICV3, Table 1.1.1); this suggests that the bulk of the city’s growth represents a growth in urban residents.

Recent surveys do not give the starting locations of migrants to Kigali. However, the first EICV survey does provide the origins of recent migrants to Kigali. This shows that the largest sources of Kigali’s migrants were Gitarama and Butare Provinces according to 2001 boundaries (EICV1, Chart 38). These were the areas which also had the highest rates of emigration overall (EICV1, Table 39). Both are now in Southern Province, the poorest region of Rwanda (EICV3, Figure 8.1.1).

Again, we clearly find that motorcyclists reflect national trends in terms of patterns of migration. Half of all those interviewed reported having migrated to Kigali. Of those the overwhelming majority reported having arrived to look for money, or more dramatically to ‘look for life’, gushaka ubuzima. 31% of respondents, or more than half of respondents who were migrants, had arrived from Southern Province, with Gitarama, Gisenyi and Butare being the most commonly reported origins.

The dominance of migrants from Southern Province in the research population may be a reflection of the principle research site in Nyamirambo on the south-western edge of urban Kigali which is geographically near to Southern Province. However, the match between the results of this research and EICV1 suggest that this is not simply a bias introduced by the research design. Indeed, migrants from Southern Province report living in various places throughout the city before coming to settle in Nyamirambo. These results suggest that motorcyclists reflect the impact of migration on Kigali’s population.

4.3 The significance of migrant youth for national development

As migrant youth, motorcyclists represent an enormously significant population for Rwanda’s national development. As previously mentioned Rwanda’s population is extremely young and shows a high rate of migration. This is especially the case of urban areas which are seeing a very rapid increase population, significantly boosted by internal migration streams.

These factors are the principle challenges facing the Government of Rwanda’s flagship development programme Vision 2020 (Republic of Rwanda, 2000). The core of this programme is the elevation of Rwanda from a Poor to a Middle Income Country by 2020, which implies the maintenance of a 7% growth rate between 2000 and 2020.

The strategy of Vision 2020 is to convert Rwanda from an agricultural and subsistence to a commercial and service-based economy. The strategy envisages a reduction in the rural agricultural population – the bulk of which is engaged in subsistence farming – from 90% to 50% of the national population. This clearly requires the displacement of a very large number of people – perhaps as many as four million – who are expected to leave the land and move into non-farm employment, preferably in urban areas. Given the age structure of the population, the bulk of these new migrants
will be young and, if subsistence farmers are to be made to move in large numbers, many will be poor and ill-educated.\textsuperscript{4}

The Government of Rwanda recognizes the difficulties of providing adequate numbers of jobs for the urbanizing population. EDPRS sets the goal of providing 2,500,000 off farm jobs by 2020, and 1,000,000 in 2010 (EDPRS, Table 3.1). However, the authors, writing in 2007, concede that ‘the number of non-agricultural jobs is less than half the target for 2010’ (EPDRS, p. 33). Waged non-farm jobs have increased dramatically over of the past five years from 468,000 to 838,000, while jobs provided by non-farm self-employment have increased from 347,000 to 479,000 over the same period (EICV3, Table 5.2.1). However, the authors of EICV continue to highlight the challenge of providing employment: ‘providing sufficient work for the population is a challenge for individuals and for policy makers’ (EICV3, p. 89).

The message is simple: there is a serious challenge in finding Rwanda’s youth sustainable off-farm employment which will meet not only their survival needs, but enable them to compete in a modernizing and increasingly urban-centred economy. Without adequate provision for youth employment, the only possible outcome can be widespread impoverishment. This in turn runs the risk of social dislocation and carries the potential for disorder and strife, especially considering the role that poor and marginalized youth are thought to have played in the genocide of 1994. Unlike many of Rwanda’s youth, however, motorcyclists are not poor. Considering the stakes involved in development for youth, especially migrants, lessons can be learnt from the sector.

4.4 Motorcyclists are not poor
Marc Sommers has recently carried out research into Rwanda’s youth which bears directly on these issues (Sommers, 2012). Although current statistics show, encouragingly, that 36.4% of youth are poor and 18.3% extremely poor (EICV3 Youth Report), he finds that the social and economic position of Rwandan youth is dire overall, and especially problematic for youth in Kigali. Sommers identifies migrant youth to Kigali especially and points to their extraordinarily difficult situation:

\[\text{The urban youth situation is so dire as to no longer be ignorable, and the urban outlet for frustrated or adventurous rural youth has become well established… Formal employment is limited, unemployment and crime are rampant – yet ever more rural youth enter the city (Sommers, 2012, p. 143).}\]

As in this research, Sommers focuses on relatively poor migrant youth. His findings are a catalogue of despair. Urban youth cannot get jobs; they cannot engage in the informal economy because so many potentially available livelihoods are banned; their lives are insecure, marked by violence, transactional sex and, in all likelihood, rampant HIV.

In this context, and considering how typical motorcyclists are of Kigali’s youth population in many ways, it is surprising and significant that overall, they are not poor by the Government of Rwanda’s own definition. Although the bulk of motorcyclists come from backgrounds in informal or illegal trade, as described by Sommers, motorcyclists do skilled and capital-intensive jobs. Moreover, they support large numbers of people. We will explore these factors in more detail in the following

\textsuperscript{4} EICV3 suggests that currently that while the majority of children begin primary schooling, few continue to secondary schooling, although enrolment figures are encouraging. The standard of education in Rwanda in general is in any case low.
section, but it is sufficient for the present to note that Kigali’s motorcyclists are in many respects a segment of the youth and migrant-youth populations who are doing remarkably well. The remainder of this report seeks further to specify the dimensions of motorcyclists’ success and to suggest some of its root causes.
5 Motorcyclists’ economic success

Motorcyclists are relatively well off, although like most urban Rwandans, they suffer from low incomes, eroded by high inflation, and income insecurity.

5.1 Motorcyclists’ incomes

There are two problems with providing reliable estimates of motorcyclists’ level of poverty or wealth, however. The first concerns existing statistics. The EICV surveys do not measure income, but consumption - a methodological tool to accommodate subsistence farmers and others whose ‘incomes’ are not necessarily in the form of money. EICV survey teams established consumption levels through repeated, detailed interviews at various time points through the year-long survey period. Such detailed consumption research was beyond the scope of the present research and as such results are not directly comparable with EICV data, tending to underestimate motorcyclists’ levels of consumption relative to what would have been recorded by the methods employed in the EICV surveys. Moreover, the division of data in the EICV reports makes it impossible at this time to identify motorcyclists specifically within consumption estimates for comparative purposes.

Secondly, motorcyclists’ estimates of their income are almost certainly quite inaccurate. On one hand, there is a noted tendency amongst Rwandans to misrepresent their income to manipulate their social standing (Eramian, 2010). People often wish to appear either poorer or richer than they actually are for a host of social and reputational reasons. On the other hand, there is the simple difficulty of estimating income in the context of an occupation in which the money someone makes genuinely varies considerably depending on how many passengers a rider transports. Finally, riders conventionally did not include the fuel they used during the day, or the food, cigarettes and other things they consumed during their work. Rather, they expressed their incomes as the amount of money they expected to take home at the end of the day. This bears on the comparability of their estimates with EICV data, which would include consumption during the working day.

During the research period, riders’ reports of their incomes fell dramatically. Initial conversations with motorcyclists suggested that they expected routinely to earn RWF 10,000 or more per day after the costs of doing business. However, as trusting relationships were developed, their accounts of their incomes reduced considerably. A credible estimate, which is in line with riders’ observed expenditure and lifestyle, is that motorcyclists can expect to earn between RWF 1,000 and 5,000 per day, with an average take-home income of some RWF 3,000.

Demographic data relating to motorcyclists’ household size was captured in responses to the interview schedule (see Box 1, Question 4). This showed an average household size of 4.5 people, slightly below the average for Kigali recorded by EICV3, of 4.7 persons. For the purposes of measuring poverty in Rwanda, EICV3 defines poverty for an individual as consumption worth less than RWF 118,000 per year and extreme poverty as consumption less than RWF 83,000 per year. By these measures, motorcyclists and their households are not poor. Calculated on the basis of a six-day working week, which the bulk of riders maintain, and using the average household size for the city, 4.7 people, we find that each member of a motorcyclists’ family has access to almost RWF 200,000 per year, or around RWF 80,000 above the poverty line.  

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5 A national poverty line, of course, is problematic. Prices in Kigali are higher than in other areas of the country and rents especially can be very expensive. Motorcyclists regularly complain of hunger and poverty even
5.2 Motorcyclists’ assessment of their situation

More instructive than often inaccurate income estimates, however, are motorcyclists’ own assessments of their situation.

Question 7 of the interview schedule asked riders to compare their lives now with how they had lived before becoming motorcyclists. Overwhelmingly, respondents answered in a guardedly positive way: two thirds of respondents said that their lives had been improved by becoming motorcyclists.

The reasons motorcyclists gave for the improvement they identified in their living standards are instructive. The majority said that their lives today were better because now they had stable, relatively well-paid work. Many had come from backgrounds in which they were chronically unemployed, or engaged in manual, casual, and unreliable forms of work. Another common comparison was between driving a motorcycle, which is skilled and does not involve using ‘strength’, imbalaga, and jobs such as carrying or building, which do. Others pointed out that access to a motorbike gave them the freedom to work as they pleased, not under the close control of a boss. A common point of comparison here was the life of a houseboy, which riders regarded as demeaning. Motorcyclists value the reliability and relative dignity of what they do.

This impression was reinforced when motorcyclists compared their lives with others in different jobs. Question 8 asked motorcyclists to compare their situation with other people doing different kinds of work. Motorcyclists were very realistic about their work. Most pointed out that their job was not as well paid as a job which an educated person could have. Nor did it make as much money as large, established businesses. However, these occupations were beyond their reach. When they compared their work with other ‘basic’ jobs - work that does not require education or training - they generally agreed that riding a motorcycle was a better job than others they were likely to be able to get. Riding a motorcycle is a ‘profession’, umwuga, rather than simply a ‘job’, akazi, and much better than temporary odd-jobs, ibiraka.

Money was an issue on which motorcyclists disagreed. Some, especially younger riders and older men with their own motorcycles, said that now they had more money than in the past. Younger men were likely to have been either students or otherwise to have had no reliable income before becoming motorcyclists. Many older men had acquired their own motorcycles and a degree of security. However, a large group of riders complained that they did not make enough to make ends meet, or that they used to make more money in the past. For those with regular access to motorcycles, this was commonly attributed to the growth of the sector. They said that nowadays it was more difficult to get passengers. For those without regular access to machines, poverty was often attributed to the difficulty of getting work, perhaps another effect of the overall growth of the sector.

Another common theme in motorcyclists’ assessments of their situation was the obstacles to development created by regulation, policing and corruption. Even where motorcyclists said that they had enough money, they were also likely to complain that their jobs were at risk from overregulation, taxation and the punitive policies of the police and KCC towards them. The burden of taxes, insurance and fees to government agencies on motorcyclists totals around RWF 150,000 per
year. Cooperatives also levy fees and impose controls on motorcycles. The police and KCC have a robust policy towards regulating the parking places of motorcycle taxis, which is connected with a recently inaugurated, extra-legal police policy of impounding motorcycles found to be in violation of an undisclosed list of rules. Relations with the police particularly, but also with cooperatives, are routinely associated with low-level corruption. The greater penalties currently exacted by the police have, by motorcyclists’ accounts, mainly had the effect of increasing the stakes, and therefore the cost of bribes, when apprehended by a police officer. Taken together, many motorcyclists claimed that they were the object of a campaign to ‘discourage’ them and drive as many as possible out of work. ‘They hate us,’ and ‘they disrespect this profession,’ were common accusations levelled by motorcyclists at KCC and government in general.

The overall picture of motorcyclists’ situation, as they assessed it, therefore, is of a good job and a great opportunity for escaping poverty for uneducated youth. These opportunities, however, are threatened in various ways: the growth of the sector puts downward pressure on riders’ incomes; riders felt that regulation, policing and corruption made it more and more difficult for them to make a decent living.

5.3 Trends in Rwandan poverty reduction

Motorcyclists’ experiences reflect poverty reduction at a national level. Rwanda has enjoyed very considerable success in reducing poverty according to official statistics. Both poverty and extreme poverty have declined significantly over recent years.

Poverty reduction in Rwanda between 2001 and 2011 appears to be the result of a reduction in inequality.

Robust data on inequality is contained in the EICV survey series. Three surveys with comparable methodologies were conducted in 2000/1 (EICV1), 2005/06 (EICV2) and 2010/11 (EICV3). This allows an analysis of the development of poverty over that period.

Between 2000/1 and 2010/11, according to the EICV survey data, Rwanda achieved considerable success in poverty reduction. The official rate of poverty in 2000/01 was 58.9%, whereas by 2010/11 it had declined to 44.9% (EICV 3; EICV Poverty Report, p. 5). Levels of poverty therefore remain troublingly high, and there is evidence that the depth of poverty for those who remain poor has not reduced. However, these statistics suggest encouraging developments.

This decline in the level of poverty in Rwanda is linked to levels of inequality. Inequality in Rwanda declined markedly over the same period. The country’s Gini coefficient reduced from 0.52 in 2005/06 to 0.49 in 2010/11 (EICV Poverty Report, p. 23). This is in spite of a small rise in inequality recorded in the second EICV survey in 2005/06 (EICV Poverty Report, Table 9).

Declining inequality suggests that the proceeds of the country’s robust economic growth were increasingly enjoyed by the poor, resulting in a net redistribution of GDP to people who have less. This is clear especially between the 2005/06 and 2010/11 surveys. Over this period, the lowest consumption quintiles experienced the highest growth in consumption (EICV Poverty Report, p. 22).

It is not clear why this reduction in inequality has taken place at a national level. EICV3 does show small changes in the structure of employment, especially a small shift away from agriculture, and
towards non-farm waged work as well as a growth in self-employment off farms. However, especially for Rwanda’s poor youth majority, it is not clear that a move away from the land necessarily translates into higher incomes - in fact the opposite may be the case (Sommers, 2012). Still harder to judge is the effect of - often expensive - government programmes on the reduction of poverty. Indeed, there are strong indications from some sources that, as motorcyclists suggest, many government programmes, especially those aimed at formalising informal sectors, have the effect of criminalising many occupations. Rather than having a positive effect on Rwanda’s development prospects, this may have a significant negative impact on poor urban youth and their capacity to secure a livelihood or improve their situation.

One way of approaching the puzzle of poverty reduction is to examine the structure of particular sectors in detail. Attention to one specific sector offers to provide details on how poverty reduction takes place in a specific social context. This in turn may provide insights applicable elsewhere. This is the strategy adopted in the following section of this report - to examine the mechanisms of poverty reduction in the moto sector in order to provide insights on poverty reduction at a national level.
6 Reasons for motorcyclists’ success

In terms of their education and backgrounds, motorcyclists are not unusual amongst Rwanda’s youth. However, their occupation gives them a relatively secure livelihood that diminishes their risk of being poor. Motorcyclists are relatively well off, despite the challenges that they face, because they have access to capital, in the form of motorcycles and qualifications, which enable them to perform high-value, well-remunerated work. Of these forms of capital, motorcycles are by far the most important.

6.1 The importance of motorcycles

Motorcyclists are not a uniform group, and their levels of educational attainment are very different. During the research period, the team interviewed riders studying for bachelor’s degrees as well as men with no formal schooling. No evidence was uncovered that a rider’s level of education had any effect on his income. This would tend to suggest that education has little impact on a motorcyclist’s income.

Overall, motorcyclists are not a particularly well-educated group. The vast majority of motorcyclists who took part in the research had primary education only. Most had completed primary school or P6. A few had continued to secondary school, but very few had completed it. A sizeable group had not completed primary school. Most said that their limited schooling was a result of poverty. Either they could not afford school fees or the demands of their families or livelihoods meant that they had to leave school to earn money before completing their education. Few expected to return to school and while they valued education as a route into well-paid work, none said that they themselves planned to return to education at a later time. The only exception was one university student who was riding a motorcycle to pay his tuition fees.

Riders’ education and attitudes to school are quite typical for Rwandan youth. Primary education is widespread, and most youth are numerate and literate, but advanced education is a luxury few people enjoy. Most youth are not secondary educated (EICV3 Youth Report) and research suggests that, while many value education in principle, few genuinely believe that they can access it or that it would materially improve their lives (Sommers, 2012). There is nothing in riders’ education to explain their relative affluence.

Riders’ accounts of their backgrounds likewise provide no evidence that they have particular advantages that might account for their economic success. Motorcyclists have varied backgrounds. Especially younger riders reported that they became motorcyclists directly out of school. More common, especially among migrant riders, were stories of struggle in ‘basic jobs’ such as working as market porters, houseboys, or street hawkers. Another important group of motorcyclists were demobilised soldiers who had obtained driving licenses as part of their demobilisation and reintegration programmes. Respondents commonly mentioned being mechanics, car washers, bus conductors, and doing other jobs which involved regular contacts with drivers in their backgrounds.

These observations lead to two conclusions. First, there is no evidence to suggest that motorcyclists follow a single privileged route into their profession and relative economic success. Secondly, basic literacy is important for motorcyclists because of the need to pass a theory test to acquire a driving license. This is a multiple choice test, so candidates must be able to read, although not necessarily write. No licensed riders who participated in the research were functionally illiterate.
however, almost all motorcyclists emphasised some kind of connection to the motorcycle sector as their point of entry to their work. This was most obvious for demobilised soldiers, who had received training and for mechanics and other people who had strong existing connections to drivers who could help them to find work as motorcyclists. They also emphasised their own discipline and capacity to save in getting driving licenses. It would appear, therefore, that some kind of connection to drivers, and a high degree of personal discipline are advantages in becoming a motorcyclist. However, these factors are surely not the privilege of a particular group of people and there is therefore little evidence to suggest that motorcyclists’ backgrounds can adequately explain their relative prosperity.

A more adequate explanation of motorcyclists’ success lies in their qualifications and employment in a high-value, capital intensive sector. Motorcyclists are affluent because of the work they do. At issue here is how motorcyclists access the sector, for which a driving license and access to a motorcycle are normally requirements. This observation is likewise consistent with the preponderance of motorcyclists who had some connection with transport and driving in their previous jobs - networks which can only have eased their access to the sector.

A motorcyclist requires a driving license and a motorbike, but of these two, a motorbike is by far the more difficult to acquire. A very large number of people hold driving licenses in Rwanda. GoR has worked with the Traffic Police, who administer vehicle and driver licensing, to streamline the licensing process. Driving tests are held more regularly past and research participants were of the opinion that they were now easier than in the recent past - something they attributed to the desire of the government to attract support and develop youth. A driving license is also relatively inexpensive to acquire. Participants said that they needed to spend around RWF 200,000 to 300,000 for tuition and testing, with tuition for the theory test representing the greatest cost. While this is a large amount of money, the cost of learning to drive can be spread over a long period of time. Individual charges, for a driving lesson, for example, can be as low as a few hundred francs. Where candidates can learn from friends and neighbours who have vehicles, the cost can be even lower. Recent reports show that between 2009 and 2011, almost 150,000 people - 90% of them men - acquired driving licenses in Rwanda. Over 70% more licenses were issued than there were licensed vehicles, of which there were only 85,000 (The New Times, 2012, February 6). In 2009, 2111 people held motorcycle licenses in Rwanda. In 2012, this had increased to 18,502 (Rwanda Utilities Regulatory Agency, 2012). All of this indicates that getting a driving license is not the most important hurdle for would-be motorcyclists.

Much more difficult is to gain access to a motorcycle. The most common model of motorcycle in use, the TVS Victor GLX, cost between RWF 1.2 million and RWF 1.3 million to buy during the research

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7 Many if not most motorcyclists actually begin their careers without either of these things, but riders expressed a strong preference to have a driving license, to avoid harassment from police and cooperative security, and regular access to a motorbike to secure their incomes.

8 Alcohol and marijuana use were mentioned by research participants as important obstacles to getting a driving license and, indeed, for completing any project which requires saving. Motorcyclists repeatedly stated that youth who drink or smoke - i.e. most youth - have more difficulty fulfilling their aspirations because they exhaust their money on these things.
This is a very large amount of money. The only way in which riders interviewed for this research had succeeded in raising such a sum in cash was by liquidating an asset - usually land, occasionally another business. However, this strategy was only open to the few people who were relatively wealthy, landowners or business people. Few motorcyclists have ready access to credit and only a small minority had purchased motorcycles with bank loans. Land was also a prerequisite for these men, who used it as collateral to secure credit. All other riders had secured access to a motorcycle either through a cooperative, through a local entrepreneur or ‘boss’, or by borrowing from other riders on a day-by-day basis. The vast majority were either currently riding for a boss, or were riding a motorcycle of their own which they had acquired through a relationship with a boss. The hurdle for youth seeking to be motorcyclists appears to be either raising the cash or credit to buy a machine - for a very small minority - or establishing the connections and relationships which will enable a rider to rent or lease a bike from a boss or cooperative.

Once a youth has a motorcycle, his income is likely to rise, unless he has an accident or serious trouble with the police. Motorcyclists - even those who had a generally negative outlook on their livelihoods and prospects - agreed that on the whole riders were unlikely to be destitute. A common comment was that a motorcyclist couldn’t fail to get enough money to eat and pay the rent. From observation, it was clear that most riders eat a hot meal at least once a day in a restaurant and the overwhelming majority said they supported wives and children. Some even kept a servant. Indeed, from discussing their income with motorcyclists, it was immediately clear that better access to a motorbike increased a rider’s income substantially. Riders who owned their own machines claimed to earn on average more than RWF 5,000 per day, while those who rented or leased a motorbike from a boss earned closer to RWF 2,500 per day. This clearly reflects the difference between a rider who has to set aside money to pay his boss every day and one who does not. Riders who only borrow bikes are unlikely to work every day and their incomes are difficult to estimate, however, from detailed conversations with some of these riders, it was clear that they were stretching a few thousand francs over several days. It was these men who most often complained of hunger and insecurity. Likewise, riders who own their own motorbikes are likely to have the largest households, while those who borrow are most likely to be single. This evidence suggests that the reason for motorcyclists’ relative affluence is access to a motorbike and the possibilities for money-making that this opens up. Explaining why motorcyclists are so successful amongst Kigali’s youth is therefore a question of analysing their access to motorbikes.

6.2 The impact of cooperatives
Motorcyclists’ cooperative organisations are intended to further their economic development (Republic of Rwanda 2007b, Article 2; the mission of SYTRAMORWA is substantially identical).

9 Second-hand bikes are considerably cheaper, selling for as little as RWF 500,000. However, many riders mistrusted them as unreliable and expensive to run because of the mechanical faults they commonly suffer from after years of hard use.
10 In Sommer’s (2012) research, participants used being able to eat a hot meal as an important yardstick for judging the extent to which they were managing to survive. At the time of Sommer’s research (2006-07) a hot meal cost around RWF 200. In the restaurants where research participants were seen to eat, a hot plate was likely to cost between RWF 500 and RWF 700.
11 Note that in the relationship between a rider and a boss, a ‘day’ is a 24-hour day, whereas when riders lend bikes amongst themselves, as detailed below, a ‘day’ is a 12-hour day and bikes are lent either for a day or a night.
However, at least in Nyarugenge, there is little evidence that they contribute to poverty reduction, their enormous contribution to the security and management of the sector notwithstanding.

This is clear if we consider the capacity of cooperative organisations to either provide members with motorcycles or to facilitate their access to them. Cooperatives and syndicates do this in three ways: by purchasing motorcycles which members lease from cooperatives; by helping members to arrange loans; and by acting as an intermediary between motorcyclists and motorcycle owners to help members find work.

Cooperatives do not purchase enough motorcycles to have a substantial impact on the livelihoods of motorcyclists. FERWACOTAMO data shows that, as of July 2012, just 3% of the motorcycles for which ownership details were available were machines purchased by cooperatives in the process of being sold back to members.

Comparable data for SYTRAMORWA was not made available, however based on unofficial estimates provided by SYTRAMORWA officials, the situation is similar - perhaps 10% of the machines used by SYTRAMORWA members nationally have been purchased by the syndicate. No documentary evidence was made available to support these figures, however.

Considering that the operational life of the most common model of motorcycle used as a taxi in Kigali, the TVS Victor GLX is between two and four years, it is clear that these organisations are unlikely ever to be able to provide even a majority of their members with motorbikes by this means.

At least amongst Nyarugenge motorcyclists, the take-up of loans arranged and guaranteed by cooperative organisations is very low. None of the motorcyclists formally interviewed had taken out such a loan. This was explained in terms of the high down payments which are required to receive loans. Motorcyclists mentioned sums of between RWF 100,000 and RWF 300,000. Riders agreed that this was unaffordable. It also appears to be common for cooperative-organised loans to require riders to apply as a group. Each member of the group must be able to make the down payment at the same time, something which is extremely difficult to achieve. Each group member becomes liable for the other members’ repayments as a guarantee. These arrangements make motorcyclists even more unwilling to take loans offered by cooperatives and place even greater obstacles in the way of riders seeking to acquire credit.

It appears that just as few motorcyclists take advantage of the cooperatives’ ability to connect them to motorcycle owners and potential employers. The research team collected scores of narratives about how individual riders had come to be connected to particular bosses. In all but one, the channels through which riders contacted bosses were highly informal - through friends, relatives or, a recurring theme in riders’ talk about their work, by luck. In the one narrative involving a cooperative, the rider in question was using a bike which belonged personally to the cooperative leader.

### 6.3 Motorcyclists’ views of cooperatives and state agencies

These observations regarding the impact of motorcyclists’ organisations on poverty reduction are substantiated further by riders’ views on their relations to state agencies and other organisations. Motorcyclists have little faith in the ability of any organisation to help them to develop. Rather, they
see all branches of government and the cooperative system as threatening their livelihoods and exerting a chilling effect on their business.

Asked, ‘What government agencies or organisations affect your job?’ eight out of ten motorcyclists interviewed mentioned the police. Often they qualified their statements to emphasise the police as ‘the most important’ or ‘the first’ agency affecting their work. Less than half mentioned cooperatives, while a sizeable proportion mentioned cooperative security without mentioning the cooperative at large. This suggests that motorcyclists see their relationship with government and other authorities in essentially adversarial and combative terms.

This suggestion is supported by answers to a related question, ‘What do these agencies and organisations do?’ Here the most common responses reflected an emphasis on different aspects of security functions, as well as a feeling of disconnection and alienation from government in general and the police and cooperative structure specifically.

Of those answering this question four out of ten replied that these agencies ‘provide security.’ Most riders value security highly. Many mention how important it is for them to be able to drive anywhere, at any time of day, without being attacked. Many riders mentioned in other contexts how much their security had increased over recent years, something which many put down to the work of cooperatives.

A minority had a less positive outlook on security functions. 20% said that they are there to ‘catch us’. The threat of being caught was often mentioned by motorcyclists in informal conversations also. They frequently referred to the policy of KCC and the Traffic Police of impounding motorcycles for a month for even minor offences, an extra-legal punishment which is inflicted in addition to legally sanctioned fines. Most motorcyclists we interviewed also alleged that police and cooperative officials, especially cooperative security, demanded corrupt payments.

Strikingly, not one of the motorcyclists who answered this question mentioned any agency which provided them with development assistance, whereas fully a quarter claimed that they ‘do nothing’ and another quarter said that they ‘take money’. This data suggests that motorcyclists feel threatened by the agencies charged with regulating them to the extent that they either do not experience any development assistance, or simply reject it out of mistrust. Certainly, there is no evidence here that motorcyclists feel that their organisations support and help them to improve their lives.

6.4 The boss system
Rather than the activities of state agencies and para-statal organisations such as FERWACOTAMO and SYTRAMORWA, motorcyclists’ own accounts of their lives and development emphasised the

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12 Cooperative security officers are known as *ikeragutabara*, ‘those who are ready to intervene’. This is officially the name given to demobilised RPA/RDF (not ex-FAR) soldiers. However, as the overwhelming majority of the security officers are in fact ex-servicemen, motorcyclists extend the title to them. The cooperative as a whole is known as *ishyrahamwe*.

13 It was beyond the scope and capabilities of the project to establish whether corrupt payments are in fact demanded or made. However, it is significant for understanding motorcyclists’ relationship to the police and government more widely that they represent the practice as routine.
positive impact of the informal social system of the sector, especially the boss system, on their livelihoods.

Importantly, the motorcycle taxi sector has a highly influential informal organisation, in addition to the para-statal organisation of motorcyclists into cooperatives and syndicates. The most important aspect of this organisation consists in very large number of partnerships between the young men who ride motorcycles, and investors. These investors appear mainly to be small-scale local entrepreneurs, although some are larger organisations and companies - the popular Reform Church, owns a large number of motorcycle taxis, for example. It is through these investors, known as *ababosi*, or ‘bosses’, that the vast majority of motorcyclists gain access to their machines.

It is possible to identify three distinct forms of relationship between a motorcyclist and the motorbike he rides. The first is straightforward ownership. The rider is the owner of the motorbike, which is registered in his name. He pays all of the taxes and fees associated with running it as a taxi, assumes the full cost of any repairs, and keeps the whole of the profit from his work. The motorcycle is essentially a micro-business and the rider an owner-operator. Rather less than one in five riders who participated in the research owned their own motorbikes. This closely reflects FERWACOTAMO data which shows that less than 25% of bikes for which ownership details are available are owned by their usual rider.

The second form of access is through a boss. The motorcyclist is not the owner of the machine, but rents or leases it from an investor, who has purchased one or more bikes. From FERWACOTAMO data, it appears that the average number of bikes per investor is close to 1. There are more than 3,000 separate owners listed for just over 3,000 bikes for which ownership details are available. The usual rental or lease payment per day is RWF 5,000, although there is some variation. The motorbike is not registered in the name of the usual rider, who is generally not responsible for taxes and fees, although exact arrangements vary. Everyday running repairs such as mending tyres or broken chains usually fall to the rider, but it is common for larger jobs to be paid for by the boss. Usually, the rider will keep the bike at his house and pay rent or lease payments into the boss’ bank account weekly. Relationships between bosses and riders vary as to the degree to which they are formally contracted, although some kind of written agreement is common. While this is not strictly an employment arrangement, motorcyclists who have their machines from bosses often refer to themselves as *abakozi*, workers or employees. This is by far the most common way in which motorcyclists gain access to a bike. More than half of the motorcyclists who participated in the research worked for bosses.

Agreements with bosses take two forms, which motorcyclists distinguish as *kuverisa* and *gupatana*. *Kuverisa* (from French, *verser*, to pay) is a rental agreement. The daily fee for using the motorcycle, or *versement* (French, ‘payment’), is simply a rental charge, which buys the rider access to the motorcycle, which remains the property of the boss. *Gupatana* (to have on credit), is a lease or hire-purchase agreement. The daily fee paid to the boss by the rider is an instalment in the purchase of the motorcycle. At the end of an agreed term, usually twelve or fourteen months, the motorcycle belongs to the rider. As a new motorcycle cost RWF 1.2 million for the bulk of the research period, this means that the boss makes a profit of some RWF 600,000, or more on a second-hand motorcycle. The price of a motorcycle purchased in this way is therefore inflated by some 50%. It is nevertheless popular; bosses do not require down payments as banks do and no security is required.
Gupatana arrangements are more likely that kuverisa to be backed by a written contract and motorcyclists expressed a high level of confidence that their bosses would honour the agreement.

Kuverisa agreements are more common than gupatana; amongst research participants more than a third were involved in a kuverisa agreement, while just over a quarter were purchasing a bike on a gupatana contract or were riding a bike purchased in this way. However, the vast majority of motorcyclists who own their own bikes benefitted from lease agreements with bosses. Less than one in ten of the research participants - including motorcyclists with many years experience - had a bank loan, and less than one in twenty had purchased their machines with cash.

The third form of access is through a fellow motorcyclist. Not all motorcyclists have regular access to a motorbike at all. This may be for a number of reasons. A rider may lose access to his usual motorcycle. This usually happens when his boss takes the bike he was riding away and gives it to someone else or sells it. This is most commonly because of non-payment or trouble with the police, although bad behaviour on the part of the rider might also be a reason. Riders whose usual bikes have been impounded by the police will also find themselves out of work for at least a month, or until fines can be paid and the bike recovered. Other riders have never had regular access to a motorcycle. The growth of the moto sector over recent years appears to mask an even stronger rate of growth amongst aspirant motorcyclists, many of whom are not able to find a motorcycle to ride, at least at the beginning of their careers. It can take time to find a boss, and not all riders succeed.

Finally, some motorcyclists are not able to afford the fees levied by RURA, cooperative or syndicate organisations, do not have the appropriate authorisation, or do not have licenses. As a result, it is hard for them to gain access to motorcycles and the identifying gillets and other documents which are required to work.

These riders usually spend most of their time waiting at motorcycle taxi stands, hoping to be able to borrow a motorcycle from another rider. This waiting is euphemistically called kuroba, fishing, and riders in this position, abarobyi, fishermen. A borrowed motorcycle is called indobanyi, something fished up. Motorcyclists typically work very long days; twelve or fourteen hour days are common. Riders who become too tired to work will often lend their bikes to friends or acquaintances who do not have work. Sometimes, jobless motorcyclists will actively request the loan of a motorbike from friends who say they like to help their less fortunate colleagues to make some money in order to be able to eat. Usually these loans appear to take place between people who know and trust one another, or who are known through others. Conventionally, the rider borrowing the bike will drive the usual rider home before setting off to work himself.

The usual fee for such a loan is RWF 5,000 for a day or night, and RWF 2,500 for half a day or night, paid in cash at the time the motorcycle is returned. Some riders who have regular access to a motorcycle, their own or a boss’, use this system of loans to maximise their own income, by riding the bike themselves during the day or night, and then lending it to another rider when he stops work. In this way, motorcycles can be on the road twenty-four hours a day. Motorcyclists borrowing bikes may work every day, but they commonly complain of not being able to find regular work. Around one in four motorcyclists access their machines in this way.

These three methods for accessing a motorcycle appear to reflect the usual career path of a motorcyclist. It is common for a new and inexperienced driver to begin by borrowing motorcycles from others. This enables him to develop skills and build a reputation as a good driver and for
reliability and honesty. It is the basis for an introduction to a boss, and, ideally the beginning of a rental or lease agreement and regular work as a motorcyclist. Many motorcyclists graduate from a rental agreement to a lease agreement, and then operate their own motorcycles at the end of the lease.

Variations to this pattern are common. Not all riders pass through the stage of borrowing motorcycles, especially those whose bosses are well known to them as friends or neighbours, but many do. A few motorcyclists never borrowed a bike or worked for other people. With capital built up from previous work, or realised in the sale of an asset such as land or a business, they can afford to purchase a motorbike when they start work. Others, with sufficient assets for collateral and capital for down payments are able to buy a motorbike with a commercial loan. Likewise, not all motorcyclists come to own their motorbikes through a lease agreement, although the vast majority do. Some save while renting a motorbike, and then purchase their own with a bank loan or in cash. It appears that motorcyclists who own their own machines are more likely to buy second and subsequent bikes in cash or with a loan, often second hand for as little as RWF 500,000. However, it is not uncommon for a motorcyclist to return to rental or lease agreements with a boss after having owned his own motorbike if he finds himself compelled to sell it, or if it wears out or is destroyed in an accident before he is able to amass the money to replace it.

The majority of motorcycles in use at any time among Kigali’s motorcyclists come from bosses. As a source of motorcycles, both rented and owned, bosses far outweigh cooperatives and syndicates. Given that the economic success of young motorcyclists stems from their access to motorcycles and the income that they provide, it follows that any explanation of that youth development success must be located squarely with the boss system. It is this informal system of partnership between local entrepreneurs and youth which has produced the youth development success evident in the sector as a whole.

6.5 Motorcyclists’ views of the boss system
The overall picture here is clear. Bosses are the single most important source of motorcyclists’ machines, and therefore underwrite the youth development achievements of the sector. This is confirmed by riders’ own accounts of how they became motorcyclists. Asked, ‘How did you get this job?’ most riders responded by explaining how they got a driving license, and then recounting how they were connected to their first boss. Only very rarely did motorcyclists include cooperative membership in their accounts.

Moreover, in stark contrast to their accounts of their relationships with cooperatives and other para-statal and state agencies, motorcyclists expressed a high level of trust in their bosses. While riders routinely complained about the fees levied by cooperatives and other agencies, and alleged corruption, no such complaints were ever made about bosses. On the contrary, riders were much more likely to express gratitude to their bosses for giving them the opportunity to work. The most negative comments riders made about their relationships with bosses emphasised that these were purely commercial transactions - they could not expect help or support from their bosses. This reflects the fact that most bosses are not well known to the men who ride their motorcycles and with few exceptions are not friends, relatives or intimates of them.
Importantly, however, the fact that a rider’s relationship with his boss is a contractual, commercial one appears to avoid many of the tensions and conflicts evident in riders’ relationships with cooperatives and similar organisations. While it is true that a boss demands money from his riders, and that he may fire and replace riders who cannot meet the terms of their agreement, none of the demands of bosses are corrupt or unexpected. This is in stark contrast to motorcyclists’ representations of the money they must pay to police officers and occasionally cooperatives or syndicates. As such, bosses do not negatively affect riders’ income security. On the contrary, relations with bosses enable the majority of motorcyclists to make a secure income and demands for payment are an integral part of that relationship.

6.6 The boss system and national poverty reduction trends

The socio-economic implications of the boss system offer to shed light on poverty reduction within the moto sector, and suggest lines of enquiry for investigating poverty reduction in other sectors. Poverty reduction in Rwanda over recent years, as previously noted, has been impressive. It has been strongly connected with a redistribution of the proceeds of the country’s robust economic growth from wealthier to less wealthy segments of the population. This pattern is consistent with the operation of the boss system.

The boss system clearly involves the transfer of wealth from the well-off to the poor. A boss’ investment in a motorcycle is personally profitable, but also benefits the youth who rides for him. This is not simply a question of money income, although this is highly significant. A motorcyclist typically earns enough money to maintain himself and his family above the poverty line - no small achievement for Kigali’s youth. Perhaps more important than income however, is the transfer of working capital that the boss system involves. The boss system does not simply provide motorcyclists with money, but with capital in the form of a motorcycle which the majority are unable to afford. Access to a motorcycle gives youth access to a sustainable income and an escape from the poverty which is the lot of so many of their cohort. This is highly consistent with national trends showing stronger consumption growth amongst the poorer than the richer segments of the population.

Methods for providing youth with motorcycles by other means, notably through cooperative and syndicate structures cannot match the volume of the boss system, and suffer from a serious deficit of trust with the youth who are supposed to benefit, and often involve other costs, such as down payments or considerable fees. Motorcyclists are likely to regard themselves as threatened by state and para-statal agencies, while they recognise that they are enabled by their bosses. As the preponderance of motorcycles used by youth in Kigali come from bosses, we must conclude that the boss system, and the transfer of capital and livelihood opportunities that it involves, is the decisive factor in the poverty reduction success that that sector represents.

It is not clear whether informal economic systems such as the boss system are widespread in Rwanda, as primary research is lacking and such systems are impossible to deduce from published statistical data. However, considering the puzzle of redistribution at the root of Rwanda’s poverty reduction success, the presence of similar systems of partnership and patronage between the relatively wealthy and the poor might be investigated. This is by no means intended as a criticism of existing government programmes for poverty reduction. However, it may be of value to pinpoint
where in Rwanda’s extensive informal economy such transfers of wealth and earnings capacity are taking place in order to shape other regulations and programmes to support such activity.
7 Youth futures and development

Rwanda has experienced enormous successes in combating poverty. However, it is not clear why. This research suggests that youth development in the motorcycle taxi sector in Kigali is mainly driven by informal economic arrangements, specifically between young men, many of them migrants without advanced education or promising backgrounds, and local entrepreneurs who invest in the young men’s futures. However, the success of the moto sector, and the social systems underpinning it, has remained largely unrecognised, and in many cases are threatened by government and other programmes. This is most evident in moves to formalise and control motorcyclists’ work, transport in Kigali city, and urban design itself.

7.1 Control of motorcyclists

The moto sector has historically presented many policing, safety and public order challenges, some of which continue today.

Compared with other forms of transport, motorcycles are relatively dangerous. Official statistics from police sources, which have been widely reported in the national press, suggest that 80% of accidents are caused by motorcycles (Rwanda National Police, 2012).

Moreover, in the recent past, the moto sector was very much associated with violent crime. Motorcyclists were both the victims and perpetrators of assaults, murders, thefts and robberies, apparently on a regular basis, and many respondents claimed that they had previously routinely carried knives for their own protection.

Mainly owning to the work of motorcyclists organisations, especially FERWACOTAMO, the sector is substantially safer today. Road accident rates are on the decline, despite strong growth in the motorcycle sector (The New Times, 2012, June 29). Moreover, riders interviewed for the research felt that they were now highly unlikely to be the victims of violent crime. Work by FERWACOTAMO, in association with commercial sponsors, to provide motorcyclists with uniforms and visible forms of identification, as well as engagement activities through cooperative organisations, appears to have been highly effective in reducing crime by motorcyclists.

All of these developments are clearly constructive. However, there is a clear risk that some initiatives to control motorcyclists in the name of safety are having or would have a disproportionate effect on the development potential of the sector. While it is not the aim of this report to propose ‘development at all costs’ it does seek to underline the need for a serious debate about the potential impact of efforts to control the sector on youth livelihoods - especially considering the large and growing numbers of people involved.

14 Data made available for this research makes it impossible to assess the rate of motorcycle accidents in Rwanda compared to other countries because data on the accident rate per vehicle kilometre - which measures how frequently accidents happen relative to the level of motorcycle use - is not collected. It is, however, instructive that in the UK, motorcyclists experienced 4,536 accidents per billion vehicle kilometres in 2011, far above the national rate of 559 for all vehicles (Department for Transport, 2012). As in Rwanda, motorcycles are by far the most dangerous form of transport. However, these figures also indicate that in the UK, for every 220,000 km covered by motorcycles, only one accident happens.

15 Motorcyclists and their leaders concede that motorcycles are involved in many accidents, but claim that they are wrongly accused of causing the bulk of accidents.
In the past, relations between the motorcycle sector and government have been confrontational. KCC has made two attempts to ban or severely restrict the operation of motorcycle taxis in the city. In 2008, prompted by the high rate of accidents, motorcycle taxis were banned altogether from the downtown area for several days. The ban was controversial and led to confrontations between motorcyclists and the police. KCC eventually allowed motorcycle taxis to continue operating in the city in exchange for new rules and security arrangements. In 2011, KCC attempted to enforce a 2008 regulation preventing motorcycle taxis from operating at night, limiting their speed and forbidding them to overtake. As in 2008, these measures were met with public outcry and they were almost immediately withdrawn. In both cases, Kigali motorcyclists pointed out, these measures would have been fatal for their business, and they would have lost their livelihoods.

More recently, KCC and the Traffic Police in Kigali have enforced a new policy by which motorcycles involved in a large array of offenses are impounded for a month. This is justified with reference to the accident rate. The measure, apparently based on a 1987 law, is enforced in addition to the fines and penalties imposed by law. Motorcyclists mentioned this policy constantly when explaining their relations to government and justifying their opposition to it. The risks of such a policy for youth development are twofold. Firstly, as most motorcycles are not operated by their owners, when a motorcycle is impounded, it damages the boss' income - a problem where motorcycle owning bosses often purchase motorcycles using commercial credit. It is also a major reason for motorcyclists losing their jobs with bosses. At an individual level, impoundment is bad for youth incomes, and also bad for the entrepreneurs who sponsor youth by providing them with motorcycles. Second and more important, many motorcyclists indicated that the new police policy was undermining morale in the sector. There is a risk that the impoundment policy will make working and investment in motorcycles so insecure that either bosses or riders or both will withdraw in large numbers. Such a result would destroy the boss system and its potential to deliver development to almost 5% of the city's population.

Currently, a partnership between KCC, FERWACOTAMO, SYTRAMORWA and the telecommunications provider Tigo are developing a new identification and control regime for motorcyclists. Before September 2012, FERWACOTAMO and SYTRAMORWA riders wore identifying gillets, but these were different for the two organisations. In September 2012, a new single gillet was introduced for both organisations. These gillets are marked with a single series of identifying codes, unique to each rider. This new identification system is connected to the development of a database, in which the details of all of the motorcycles operating as taxis in Kigali will ultimately be recorded. These details include engine and chassis numbers and other identifying marks of the motorcycle, its ownership, and details of one rider and his cooperative affiliation. Such a system allows passengers to have confidence in motorcyclists, and will clearly be helpful in contacting owners in cases of accidents and assisting the police when motorcycles are stolen.

However, such codifying and formalising activity presents further risks to the social structure of the sector. The boss system, which delivers the most important of the youth development benefits associated with motorcycle taxis relies on the flexibility of informal relations between motorcyclists and investors. A boss needs to be able to change his riders easily if they are not living up to their obligations. Likewise, motorcyclists’ livelihoods depend at critical times on the ability to ride other people’s motorcycles, especially at the beginning of their careers and should their own machines be unavailable for any reason. If the database is used to enforce a singular relationship between riders
and motorbikes, as some FERWACOTAMO sources suggested it might be, there is a genuine risk of serious damage to the boss system, which might simply become unworkable. The considerable benefits for youth development in the city which depend on it would therefore be lost.

7.2 Transport and development in Kigali City
Current transport policy in Kigali City is aimed at the formalisation of public transport providers. This means that current transport arrangements, in which buses, taxi-cabs and taxi-motos are owned by small-scale investors, are to be replaced by a model in which transport is in the hands of large commercial concerns. As part of this reform, motorcycles are to be excluded altogether from main routes and relegated to poor quality roads, unsuitable for large vehicles such as buses. This, of course, would be disastrous for the sector and the young people who make a livelihood from it.

Moreover, the move to exclude motorcycle taxis from Kigali’s transport infrastructure is part of a general trend in development planning in the city as a whole to neglect or ignore certain sectors in the effort to plan for a ‘modern, progressive city’. While currently, there are more than 10,000 motorcycle taxis in Kigali, the Kigali City Masterplan (Oz Architecture and Kigali City Council, 2012), which includes an overall strategy for transport, devotes almost no attention to the subject of motorcycle taxis. While there is some indication that current policy is taking the sector more seriously (The New Times, 2012, May 4), it is evident that there is a gap between the needs of youth development and central aspirations for modern city planning.

This is not a sectional political claim, but an implication drawn from patterns of poverty reduction in Rwanda. Success in poverty reduction in Rwanda is evidently the result of higher consumption growth in the lowest consumption groups of the population. In other words, the proceeds of Rwanda’s robust economic growth have been distributed downwards and inequality has fallen somewhat. Nationally, the causes of this fall are unknown. However, in the motorcycle sector, as perhaps elsewhere, poverty reduction is achieved when relatively well-off entrepreneurs invest in small-scale enterprises which benefit low-income youth. In the motorcycle sector, the result of this pattern of investment is poverty reduction on one hand, and a proliferation of small businesses - motorcycle taxis - on the other.\footnote{16} Removing these opportunities for small entrepreneurs to invest in youth - by turning transport provision over to large companies in this case - threatens to reverse many of the gains made poverty reduction and to close whole sectors of the economy to the kinds of economic activity which promote poverty reduction. Thus, evidence of poverty reduction in the motorcycle sector presents policy-makers with a stark choice: whether to strive after ‘modernity’ through formalisation and commercialisation, or whether to accept a certain degree of disorder in the interests of the sustainable development of poor segments of their population.\footnote{17}

7.3 Implications for national development

\footnote{16} Although the project did not systematically collect data on this issue, it is evident that the same system is in operation in the minibus sector.

\footnote{17} This is not, of course, a distinctively Rwandan problem. Commenting on rioting in London in 2011, and earlier bouts of civil disorder in Paris, Vanstiphout comments, ‘we are constantly passing judgment on what the city should be, and who should be there, and what they should be doing, instead of trying to understand what the city actually is, who really lives there and what they are doing. This produces a dangerous process of idealisation, denying whole areas, whole groups their place in the urban community, because they do not fit the picture’ (Vanstiphout, 2011).
This is a choice which faces GoR in other areas beyond transport. Large-scale policy interventions and government-led development efforts in Rwanda tend to focus on the formalisation, commercialisation and scaling-up of important sectors of the economy. This is most evident in informal sector, housing and land policies. The overriding aim of much Rwandan policy appears to be formalisation, under the assumption that formalised and standardised processes are better for development than informal and local processes.

The drive to formalisation is taking place in the context of successful poverty reduction. However, the reasons behind the reduction in Rwandan poverty are not well understood. Evidence from the moto sector in Kigali indicates that the relative economic success of motorcyclists and their escape from poverty is in fact due to informal economic and social processes, not state intervention, regulation, and development efforts. As in the case of Kigali’s motorcyclists, these informal systems are likely to benefit the poor and the young, the majority of Rwanda’s population, and those most likely to be, or to feel, excluded from the formal economy and development efforts (Sommers, 2012).

While this does not indicate that other formalisation policies are flawed, in order to maintain Rwanda’s record on poverty reduction, policy-makers would be wise to take account of informal socio-economic systems and their impact on poverty, especially in terms of their capacity to redistribute the proceeds of growth from the relatively well-off to the poor before enacting policies aimed at sweeping away the informal in favour of the formal. This is not least because an informal ‘development’ process such as the boss system amongst motorcyclists is a spontaneous, wholly Rwandan initiative, which does not depend on international donor support, and involves no government expenditure. Where they work for poverty reduction, informal socio-economic systems represent free, local development.

The lesson to draw from the success of motorcyclists in Kigali is therefore that in this case, and perhaps others, poverty reduction in Rwanda is the result of Rwandans’ own work to secure livelihoods for themselves and their families. Policy-makers should support the social and economic systems that enable this work where it is effective for poverty reduction.
Bibliography


