

# The Developmental Divide: Why is Burundi Lagging Behind Rwanda?

**A Comparative Analysis of Economic, Educational, and Political Factors**



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# Problem Statement



Despite sharing similar histories, ethnic compositions, and geographical proximity, Rwanda and Burundi have taken divergent paths in economic growth, education, and political stability.

**Today, Rwanda is one of Africa's fastest-growing economies, while Burundi remains the poorest country in the world.**

This project seeks to understand the underlying causes behind this disparity, focusing on key economic, educational, and political factors. What specific actions can Burundi take to replicate Rwanda's success, and what reforms are realistically achievable?



# Country Profiles

COUNTRY PROFILE INDICATORS	BURUNDI 	RWANDA 
Surface Area(km²)	27,830	26,340
Population(2022)	12.89 million	13.78 million
GDP (current US\$, 2022)	\$3.339 billion	\$13.316 billion
GDP per capita (2022)	\$259	\$966
Average GDP growth rate (2010–2022)	2.11%	6.71%
Unemployment Rate (2022)	0.92%	15.09%



# Objectives

- Analyze and compare economic, educational, and political stability factors and their contributions to Economic Growth.
- Identify actionable recommendations for Burundi based on successful models from Rwanda.



# Process and Methodology

1

## **Data Sources / Data Collection:**

From World Bank Data on Economic, Educational and political indicators. The timeline used is 2010–2022

2

## **Data Cleaning & Preparation:**

Cleaned and structured using excel and Python (Pandas).

3

## **Comparative Analysis:**

Used correlation analysis and trend evaluation to identify key drivers of disparity.

4

## **Visualization:**

Maps, bar charts, and correlation matrices to highlight trends and relationships

5

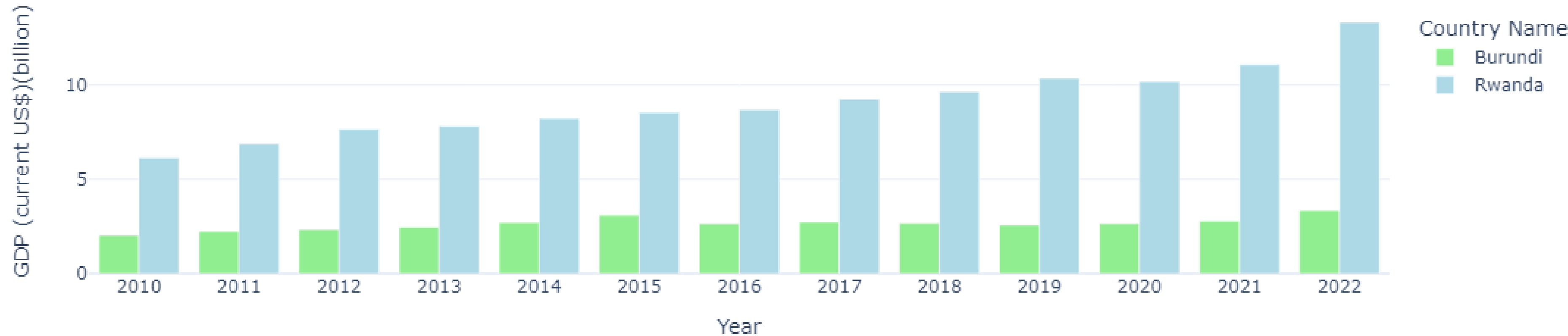
## **Recommendations:**

Derived from key insights to suggest realistic reforms for Burundi.



# Economic Growth Insights

Burundi vs Rwanda GDP Comparison (2010-2022)



## Rwanda

- average GDP of USD 9.06 billion
- average GDP per capita of USD 749.05
- average GDP growth rate of 6.71 %

## Burundi

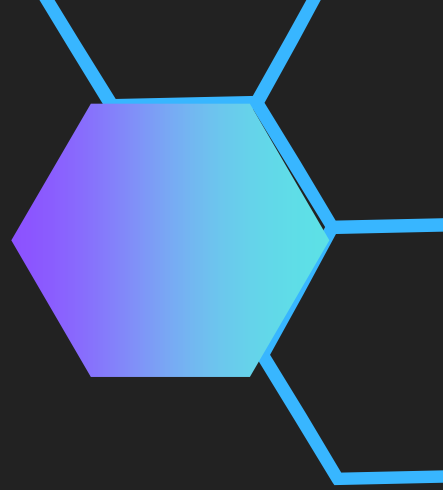
- average GDP of USD 2.63 billion
- average GDP per capita of USD 239.91
- average GDP growth rate of 2.11 %

- Findings: Rwanda consistently outperforms Burundi in GDP growth.
- Analysis: Rwanda's diversified economy and governance contribute to stronger economic performance.





# Variable Correlations with GDP growth



Variable	Correlation
GDP per capita growth (annual %)	0.99
Political Stability and Absence of Violence/Terrorism: Estimate	0.64
Unemployment	0.63
Rule of Law: Estimate	0.62
FDI, net inflows (BoP, current US\$)(million)	0.62
Control of Corruption: Estimate	0.6
GDP per capita (current US\$)	0.59
GDP (current US\$)(billion)	0.55
FDI, net inflows (% of GDP)	0.52
Employment in services	0.44
Employment in industry	0.41
Population	0.09
Government expenditure on education, total (% of GDP)	-0.23
Inflation, GDP deflator (annual %)	-0.34
Employment in agriculture	-0.43

**The table displays the correlations of various indicators with GDP growth.**

**Most variables, including political and financial indicators, show positive correlations.**

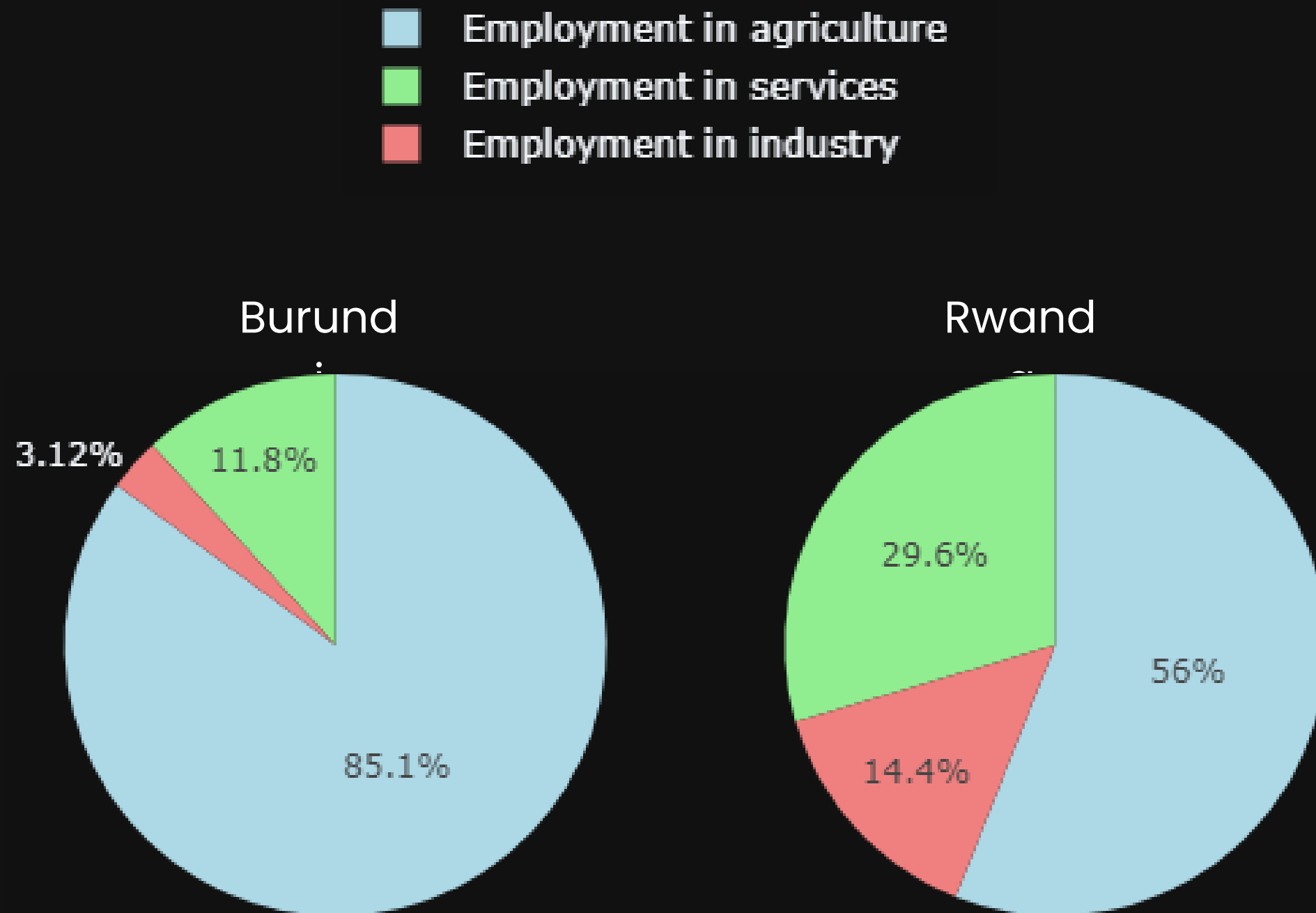
**However, anomalies are observed with government expenditure on education and unemployment, which deviate from expected trends.**



# Unemployment Rate Analysis

- The average unemployment rate from 2010 to 2022 is 1.33% for Burundi and 12.24% for Rwanda.
- This large difference affects the correlation, as Burundi's low unemployment rate skews the results.
- This can be explained by the job sectors; 85.1% of people in Burundi work in agriculture compared to 56% in Rwanda as at 2022, as shown in the pie chart.
- This reliance on agriculture means that many workers are in informal jobs, which can lead to lower unemployment rates in official statistics.

Burundi vs Rwanda Employment Distribution in 2022





# Political Stability Insights



## Political Indicators for Burundi and Rwanda in 2022

Political Indicator	Burundi	Rwanda
Rule of Law: Estimate	-1.277	0.146
Political Stability and Absence of Violence/Terrorism: Estimate	-1.189	0.031
Control of Corruption: Estimate	-1.518	0.561

Political stability plays a significant role in contributing to economic growth.

These indicators are measured on a scale ranging from -2.5 representing the lowest (worst) governance score and 2.5, the highest (best) governance score.

In 2022, Rwanda's political indicators show positive values, while Burundi's remain negative, reflecting a clear contrast in governance.

Burundi's negative values suggest ongoing political instability, limiting economic growth and investment opportunities.



# Education Insights



Burundi vs Rwanda Expenditure on Education (2010-2022)



The negative correlation between GDP growth and government expenditure on education (total % of GDP) is observed because Burundi, despite its lower GDP, allocates a higher percentage of its GDP to education.

This higher percentage does not necessarily translate to greater actual funding compared to Rwanda.

The average Government expenditure on education from 2010 to 2022 is \$147.34 million for Burundi and \$366.32 million. for Rwanda.

# Key Findings

- **Economic Disparities:** Rwanda's diverse economy and governance contribute to its growth; Burundi's reliance on agriculture limits its potential.
- **Education as a Catalyst:** A strong education system in Rwanda promotes economic development, while Burundi faces significant educational challenges.
- **Political Stability's Role:** Positive governance in Rwanda contrasts with Burundi's instability, impacting both economic and educational outcomes.



# Economic Recommendations

## Diversifying the Economy

Case Study: Ethiopia created the Agricultural Transformation Agency(ATA) which transformed its agriculture based economy. It invested in irrigation, modern farming techniques and agribusiness.

- Burundi could establish an ATA agency similar to Ethiopia's to modernize Burundi's agricultural sectors especially in high potential areas such as coffee and tea production.
- Diversify the employment sector by developing digital literacy programs, creating innovation hubs and supporting youth entrepreneurship.

# Political Recommendations

## **Strengthen Political Stability and Governance**

- Establish independent institutions that monitor governance and promote accountability, such as an anti-corruption commission or public ombudsman.

## **Tackle Corruption**

- Action Step: Create an independent body to fight corruption and ensure public finances are transparent.
- The government should take a firm stance against corruption, creating strict laws and institutions to address bribery and misuse of public resources.



# Education Recommendations

Rwanda invested heavily in education, particularly focusing on ICT (Information and Communication Technology). Initiatives like the “One Laptop per Child” program aimed to increase digital literacy.

## **Burundi could also take such initiatives and:**

- Increase funding for vocational training and digital literacy programs.
- Expand access to higher education and incentivize teacher training.
- Introduce an ICT syllabus in the school system to increase digital literacy in the young generation.





# Conclusion

The comparison between Burundi and Rwanda shows how different policies and priorities can shape a country's development. Rwanda's focus on good governance, education, and infrastructure has driven its economic progress, while Burundi has faced setbacks due to political instability and a lack of investment in key areas.

To catch up, Burundi should prioritize stable governance, invest in education, and improve infrastructure. With support from regional partners and the global community, Burundi can unlock its potential and achieve sustainable growth.

Burundi's government, young leaders, international organizations, and local leaders must work together to create lasting change and improve the country's future.



**Thank  
You**