

BTI 2010 | Burundi Country Report

Status Index	1-10	4.54	# 94 of 128	
Democracy	1-10	5.33	# 71 of 128	➔
Market Economy	1-10	3.75	# 114 of 128	➔
Management Index	1-10	4.55	# 78 of 128	

scale: 1 (lowest) to 10 (highest) score rank trend

This report is part of the Transformation Index (BTI) 2010. The BTI is a global ranking of transition processes in which the state of democracy and market economic systems as well as the quality of political management in 128 transformation and developing countries are evaluated.

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Key Indicators

Population	mn.	7.8	HDI	0.39	GDP p.c.	\$	369
Pop. growth	% p.a.	3.0	HDI rank of 182	174	Gini Index		33.3
Life expectancy	years	50	UN Education Index	0.56	Poverty ²	%	93.4
Urban population	%	10.1	Gender equality ¹	-	Aid per capita	\$	54.9

Sources: UNDP, Human Development Report 2009 | The World Bank, World Development Indicators 2009.

Footnotes: (1) Gender Empowerment Measure (GEM). (2) Percentage of population living on less than \$2 a day.

Executive Summary

Since its landslide victory in 2005, the National Council for the Defense of Democracy – Front for the Defense of Democracy (CNDD-FDD), a former rebel Hutu group turned political party, has exercised increasing control over almost all of Burundi's government institutions. The country's two other mainstream parties, the Burundi Democratic Front (FRODEBU, Hutu) and Unity for National Progress (UPRONA, Tutsi) have since sought to redefine their roles and relevancy in the new political environment. Political tensions have been on the rise as the CNDD-FDD, under the leadership of President Pierre Nkurunziza, has continued not only to usurp all leadership positions throughout the state apparatus but to respond with authoritarian aggression to criticism.

An internal CNDD-FDD schism led to the dismissal of controversial party chairman Hussein Radjabu in February 2007, and to his subsequent imprisonment and eventual conviction for alleged treason in early 2008. A resulting split in the CNDD-FDD's parliamentary group left the president without a working parliamentary majority for seven months in 2007, thus largely paralyzing any political initiatives. Only in November 2007 did he succeed in forming a new coalition government with representatives from all major parties (based on the constitutional model of consociational democracy). But severe infighting and personal power struggles in all political camps have remained an overriding feature to date. Some nervous positioning has already started to emerge in advance of the 2010 elections, which are expected to be viciously competitive. After the optimism and high expectations for a better future that were raised by the remarkable 2005 elections, the entire political class has by and large put in a very disappointing performance, concerned with pursuing narrow parochial interests, and reflecting different segments of Tutsis and Hutus, rather than focusing on the task of national reconciliation and reconstruction. State organs' authoritarian attitudes and persistent human right violations make it difficult for opposition and civil society groups to organize, and intimidate all potential activists. Compared to 2005, the general political climate has definitely deteriorated considerably.

One positive development, however, has been the significant improvement of the general security situation in the country. This has entailed the apparent end of the National Forces of Liberation's (FNL) armed rebel activities (although by mid-February 2009, this had not yet been irreversibly ascertained), albeit after a much more protracted process than had earlier been expected. The FNL (which in contrast to its rival CNDD-FDD has all along been a voice for poor rural Hutus, and less connected with the political elite) has agreed to drop its historical political denomination of "Palipehutu" (Party for the Liberation of the Hutu

People) since the ethnic connotation is considered illegal under the constitution. The group intends to transform itself into a political party and to participate in the 2010 elections (where three primarily Hutu-oriented parties will now compete for votes). Under plans current as of this writing, FNL combatants were to be demobilized, and a number of FNL leaders were to be given civilian leadership positions, but none of this is as yet 100% confirmed. The integration of substantial numbers of FNL fighters (Hutus) into the military is likely to be very problematic, since it will upset the ethnic quota balance (unless some other Hutu soldiers are demobilized or the size of the army is increased). Some demobilization of present army members is in fact underway.

Progress on the socioeconomic front has so far been much slower than hoped in 2005, largely due to the immense structural and historically inflicted economic problems and the populations' difficult sociocultural situation. Delays are also attributable to the understandable uncertainties of the new and often inexperienced governmental authorities, who took office only in late 2005. But the lackluster performance of the political leadership and their lack of a determined development orientation have also contributed significantly to this disappointing state of affairs. No clear national development strategy with discernible priorities has as yet been agreed upon. After long delays, a final Poverty Reduction Strategy Program (PRSP) was formulated in late 2007, but the finalization of a badly needed debt cancellation agreement under the IMF and World Bank's Highly Indebted Poor Countries (HIPC) initiative was not achieved until January 2009. Various external aid agencies and countries had in principle made pledges to switch from their past focus on humanitarian relief activities to a more clearly focused longer-term approach; however, many remained rather cautious and hesitant when initiating large substantial programs as a result of understandable skepticism associated with the country's uncertain, volatile and somewhat unpalatable domestic political arena. Socioeconomic progress was also harmed by the persistence of high poverty levels and ecological constraints (such as the lack of arable land, drought and occasional floods that cause recurring humanitarian crises). The government is by instinct somewhat hesitant to pursue a forceful course of liberalization and privatization in a country that still possesses only very modest tokens of modern economic life. For now, Burundi remains trapped by these limitations as one of the poorest and socially least developed countries in the world.

History and Characteristics of Transformation

For roughly the first four decades after independence (achieved in 1962), Burundi did not experience any political or economic transformation, but suffered tremendously under the consequences of its difficult historical and structural legacies. It was only very recently, after long years of violent civil strife, that a fundamental political transformation was initiated and in fact implemented. Socioeconomic transformation is at best still in its infancy and has not yet been firmly grounded. Burundi is one of the poorest countries in the world, and is highly dependent on foreign assistance and on world market prices for its two main export commodities (coffee and tea).

A deep sociopolitical conflict between the main ethnic groups, Hutu (the vast rural majority, accounting for about 85% of the population, although this figure is based on rather dubious colonial counts) and Tutsi (the historically dominant social class, with about 14% of the population) goes to some extent far back into history, but was sharply accentuated during the Belgian colonial era as a result of the colonial authorities' divisive practices, which included a system of "indirect rule" strengthening the Tutsi monarchy's feudal rule. The country was thus ill prepared to enter the new era of independence as a united people. Two small minority groups (about 1% – 2% of the population) have largely remained unaffected by the conflicts: the indigenous and extremely marginalized Twa and the Ganwa, regarded as a sort of nobility that transcends the normal division between Hutus and Tutsis.

The struggle for political power after independence, with Tutsis in full control of the state administration and the military, resulted in the elimination of practically the entire Hutu elite after a failed coup d'état in 1965, and subsequent widespread pogroms against Hutus in 1972 and 1988. All post-colonial, authoritarian Tutsi-dominated regimes, relying on the strength of the army, focused primarily on maintaining their power rather than pursuing development-oriented policies with a view toward overcoming socioeconomic cleavages.

By 1988, the international community began to press for a democratic transformation. This, however, eventually ended in disaster. Melchior Ndadaye, a Hutu elected as president in 1993 in largely free general elections, was assassinated by elements of the Tutsi-controlled army before even four months of his term had passed, evidently as a result of strong Tutsi fears that they would be pushed aside by the Hutus' numerical preponderance. Ndadaye's rapid changes to state institutions, and particularly the threat of established security organs losing their hitherto unchallenged control over power, certainly underscored that perception. The president's assassination sparked a spiral of violence fueled by radical groups from both sides. In 1996, former President Pierre Buyoya (1987 – 1993) staged his second coup d'état. Neighboring countries in the sub-region responded with an economic embargo (1996 – 1999). Forced to deal with highly conflicting party interests, civil war (with an estimated total death toll of around 300,000 persons) with a number of Hutu rebel groups (the major ones including the CNDD-FDD

and the FNL), an uncompromising army, militia groups on both sides, and external powers' demand for the departure of the military regime, Buyoya eventually had to accept a lengthy peace process brokered by official mediators Julius Nyerere, Nelson Mandela and subsequently South Africa's vice presidents.

The Arusha agreement of August 2000 provided the basis for a transitional government, which was eventually installed in November 2001. This government was led for 18 months by the Tutsi Buyoya (until April 2003), followed by the Hutu Domitien Ndayizeye. This second period was initially expected to be an equal 18-month period lasting until October 2004, but in fact had to be extended until mid-2005 due to delays in the process designed to lead to a new political beginning, primarily resulting from resistance by several key players (mainly Tutsi groups) against the proposed new political framework. A crucial referendum to approve a new constitution as foundation of an entirely new political dispensation (with firm quotas for political and military representation of Hutus and Tutsis) was thrice postponed, until finally taking place in February 2005. A significant new development had already taken place in October 2003, when the CNDD-FDD had given up armed rebel activities, accepted the peace process and become a fully integrated element of the transitional institutions (both government and military). Similar steps were taken by several other smaller rebel groups, with the major exception of the FNL which rejected the peace process' power-sharing formulas and carried on with armed attacks against state installations and civilian targets.

The year 2005 represented a crucial turning point in the country's history, with the finalization of the drawn-out transitional process and the introduction of a completely new political and administrative power structure. The new constitution, containing complicated regulations and safeguards for all future political institutions, was overwhelmingly approved in the referendum, thus opening the way for a series of unprecedented general democratic elections at a variety of levels. Most important were the July parliamentary elections, which were carried out calmly despite fears of violence, and were considered to be reasonably free and fair. The CNDD-FDD (now converted into a political party) emerged as the clear winner with 58% of the votes, while the formerly leading political parties FRODEBU (predominantly Hutu) and UPRONA (almost exclusively Tutsi) trailed far behind with 22% and 7%, respectively. The political contest thus completely changed, no longer a straightforward bipolar affair with two ethnically based parties; instead, it had become much more complicated, due to the constitution's firm ethnic quotas and the competition between CNDD-FDD and FRODEBU for the Hutu population's votes. In August, Pierre Nkurunziza (CNDD-FDD) was inaugurated as new president. A new government, delicately balanced with representatives of all main parties, was set up. This was the start of a new era in Burundi's political life, with high expectations for a new peaceful beginning.

However, the subsequent years have largely been characterized by the difficulties of the new leaders in getting a firm grip on their positions of authority, by internal dissension and divisions within practically all main political groups, by periods of protracted blockage of the regular political process, by a prevailing climate of vicious political enmity (although without the resurgence of political violence feared by some observers), and by authoritarian behavior and the intimidation of perceived opponents by state authorities. In 2007, the CNDD-FDD party

chairman, Hussein Radjabu, was first deposed, then arrested and eventually convicted for treason. This led to a split among the party's parliamentarians (thus depriving the government of a majority for half a year) and to an eventual expulsion of all members of parliament of the Radjabu faction. Internal infighting was equally common in the other parties. All this clearly indicated the fragility of the political situation, and showed that positioning for the next electoral contest in 2010 was already beginning.

For years, the FLN refused to join the national peace process. It remained the last active rebel group, with recurring armed attacks on public institutions and civilians, despite having signed a ceasefire agreement in September 2006. Peace negotiations between the government and the FNL, under South African and sub-regional mediation, dragged on inconclusively into 2008.

Under the long-prevailing circumstances of political uncertainty and violent turmoil, it cannot come as surprise that there has been little substantial economic transformation in Burundi. No government since independence has been able (or willing) to seriously tackle the structural problems preventing Burundi from establishing a socially oriented market economy. These structural problems include the dominance of a subsistence economy, very limited diversification of modern economic sectors (highly concentrated in the capital Bujumbura), an extremely low level of urbanization, a high incidence of extreme poverty, very high population density under an agricultural setting with growing ecological problems, the lack of investment incentives for modernizing the economy, dependence on world market prices for few key commodities, high indebtedness and high transport costs due to Burundi's geographical location as a landlocked country. External factors and continued resistance by the dominant Tutsi elite to major societal changes have by and large been instrumental in halting meaningful socioeconomic reforms. The cycle of political violence set in motion after 1993 made the pursuit of coherent economic policies impossible. All efforts were fully focused on the sheer survival of state structures, and on beating the imposed regional embargo. In addition, the national turmoil also produced roughly one million refugees (both internally and in neighboring countries, mostly Tanzania). The war years generally brought widespread regression in most economic structures, installations and institutions. It was only after the installation of the first transitional government (in late 2001) that cautious new signs of hope and a slow return to normality emerged. However, consistent reform-oriented policies and genuine steps toward economic transformation by and large remained blocked by the continuation of armed conflict (at least in parts of the country) and by the fragile nature of the transitional government institutions, which rendered forceful and potentially unpopular decisions difficult. The IMF and the World Bank have attempted to have some limited impact on specific issues (such as exchange control), but practically all external donors have continued to focus attention largely on humanitarian relief activities, while waiting for the installation of a new democratically legitimized government before instituting new aid activities supporting badly needed reform measures.

Upon taking office in late 2005, the present government thus was faced with a tremendous challenge, including the need to turn the economy toward a positive growth pattern and introduce a whole spectrum of long overdue reforms. But due to the unrelenting political quarrels, very little in this direction has in fact been accomplished. The population has seen little

in the way of significant socioeconomic improvements. The international donor community was initially willing to assist the country with substantial reconstruction and development programs, but remained somewhat reluctant, ultimately holding back as long as the domestic political situation remained unsettled (as it has remained to be). A PRSP has been formulated and completed only after considerable delay, and it was only in January 2009 that a cancellation of about 92% of Burundi's accumulated external debt was finally, belatedly approved by IMF and World Bank under the HIPC initiative. This offers new prospects for economic recovery, but most of the historical and structural deficiencies still remain unaddressed.

Transformation Status

I. Democracy

After a first attempt at holding democratic general elections in 1993 was crushed by a military rebellion and the murder of the newly elected president, and after an ensuing period of military governments and civil war, a transitional government without formal democratic legitimacy was installed in power in November 2001. This was able to widen its societal foundation by the inclusion of most (but not all) former rebel movements in 2003. A transitional parliament was appointed according to quotas encompassing all the various groups participating in the peace process, but members were not selected in elections. After protracted discussions and negotiations, a new constitution was approved by referendum in February 2005. This included a very complicated ethnic power-sharing formula with fixed quotas: 60% of positions for Hutus and 40% for Tutsis, thus allowing for a considerable overrepresentation of Tutsis as compared to their numerical share of the population. A series of genuine democratic elections was then held in mid-2005, on the basis of which the present government was installed. This inaugurated an entirely new, and in fact the very first, democratic era for the country (apart from the first short interval in 1993).

1 | Stateness

In the period 1993 – 2003, substantial parts of the country's territory suffered from the effects of civil war between several armed rebel groups and the state authorities (police, gendarmerie, army). Although never rising to the level of outright open war, the number of casualties was extremely high (estimated at up to 300,000) and the state was clearly not able to exercise a monopoly on the use of force. The situation improved considerably in October 2003 with the conclusion of a cease-fire agreement with the biggest rebel group, the CNDD-FDD, but some insecurity persisted due to continued armed attacks by the FNL, the last remaining rebel group. This persisted even during and after the 2005 elections, with FNL groups remaining active mainly in a limited number of areas in the vicinity of Bujumbura, the national capital. However, most parts of the country were by and large considered peaceful and controlled by the state's security organs. After a mid-2006 cease-fire agreement, stop-and-start peace negotiations were conducted with the FNL, but throughout this period the state remained unable to fully enforce a

Monopoly on the
use of force

monopoly on the use of force in the main FNL strongholds, and random FNL attacks continued. It is only in January 2009 that a binding peace agreement finally seems in sight, and the demobilization of FNL fighters has actually begun.

The legitimacy of the Burundian nation-state is not questioned in principle by any group and there are no claims for territorial secession or for leaving the nation in its present form. The historically evolved concept of a Burundian nation can thus by and large be taken as generally accepted. The bloody struggles of the past as well as the ongoing fierce competition between different ethnic/social groups has always been and remains about control (social, economical and security-focused) of the existing nation-state, rather than representing a denial of national inclusion. There has long been de facto political discrimination against the ethnic Hutu majority, thus giving cause for the armed rebellion, but the present political/constitutional dispensation, with its fixed ethnic quotas and an undisputed majority for Hutus, is supposed to have introduced a compromise formula acceptable to Hutus and Tutsis alike. The small Twa ethnic minority group is de facto extremely marginalized, but has been given a special politically protected status. A common national language (Kirundi) underscores the element of national identity.

State identity

Burundi is a secular state, and religious dogmas do not openly have any direct influence on the political arena. However, the Catholic Church has had a very important role and has wielded substantial influence on Burundian society since the beginning of the colonial era. This has an important bearing on widely held value systems and gives church leaders a relatively prominent role in civil society, apart from immediate political forums. The fact that the president belongs to the Catholic Church and shows it actively enhances his prestige and influence, a fact he highlights. Other Christian denominations and Muslims represent much smaller numbers; however, the former (until February 2007) chairman of the ruling CNDD-FDD party was widely perceived to promote Muslim interests (using external resources and support), quite in contrast with hitherto existing local traditions. This appeared to introduce a new element into the prevailing religious scenario. The fall of this figure from power may also have reduced the perceived growth in Muslim influence, and stabilized the influence of Catholics. An increase in the number of adherents of various Protestant denominations was also observed in recent years.

No interference of religious dogmas

Given the country's relatively small and compact size and high population density, the public administration in principle exists and functions at least in a rudimentary sense throughout the national territory. Administrative structures are generally weak and poorly funded, but against the background of a long and violent civil war they are nevertheless – compared to many other African countries – relatively well established. The state's basic service functions are generally available at the level of the "communes" (the lowest administrative level), to which local councilors were elected in 2005.

Basic administration

2 | Political Participation

The series of elections in 2005 (constitutional referendum, communal, legislative and hill (or district) elections) was generally considered by internal and external observers to be exemplary and very largely free and fair – certainly better than might have been expected after many years of civil war and a highly contested transition period, with tense infighting among the various political contenders. All present political institutions are the outcome of these elections. The participation rate was quite high and in most places the results showed a fairly differentiated picture, thus indicating the absence of overly strong local peer pressure by historically weak local opinion leaders. However, not all democratic changes were fully welcomed by the population. For example, the representatives of the traditional Bashingantahe institution (local conflict arbitrators) have started to be elected as well, instead of being enthroned in a traditional fashion. As a consequence, the strongest party at each locality provides a person for this influential post, and it is no longer based on traditional qualifications.

Free and fair elections

Seen against the background of the country's violent political history, and given the still very real sociopolitical cleavages and fears, there is as yet no guarantee that the present situation will persist, or that a tradition of similarly correct elections can be established in the future (when there will be less direct international participation and observation). The prospects for the coming 2010 elections (such as controversies around the creation of a genuinely independent Election Commission) do not augur well at the moment.

The elected rulers do in principle have the authority and instruments to effectively govern the country, but must to be careful not to antagonize particular interest groups (given the very complex socioeconomic fabric of Burundian society). All aspects of political life are still very delicately intertwined with the intricacies of the balance between Hutus and Tutsis, and with the ensuing consequences for the functioning of all public institutions. This is true for the internal power distribution within the CNDD-FDD ruling party, as well as for the military. The internal power struggles within the CNDD-FDD in 2006 – 2007 raised some doubts about the authority of the elected president vis-à-vis an all-powerful party chairman who had not been legitimized by a public vote. This power struggle was “solved” by the deposition and subsequent incarceration of the chairman, but only at the expense of a very harmful schism of the party's parliamentary representation, leading to a split into two different factions. This in turn led to a seven-month political impasse in parliament, in which the president lost a working majority and was unable to govern effectively (e.g., pass the budget and other laws). The complex constitutional requirements in regard to the composition of the government (with representatives of the self-designated opposition parties included in the cabinet) and the party landscape's volatility severely restrain the effectiveness of governmental activities.

Effective power to govern

The high number of formally registered political parties and other civic groups can be taken as an indication of a relatively liberal practice with regard to the rights of political association and assembly. However, this is very considerably affected by constitutional provisions stipulating an obligatory mixed ethnic membership for all parties participating in electoral contests (i.e., excluding mono-ethnic parties, with exclusive membership of only Tutsis or Hutus). This is obviously intended to prevent the old clear-cut antagonism between practically pure (but even in the past, never 100% pure) Hutu and Tutsi parties, but it clearly infringes on the absolute liberty of political association. The creation and registration of political parties challenging the existing setup has in recent years occasionally been hindered administratively, but not altogether blocked or forbidden.

Association /
assembly rights

The situation with respect to the plurality of the media and more generally to the freedom of expression for individuals and associations is rather ambivalent. Print media presence outside Bujumbura is extremely limited, and the most important media by far is the radio (both government-owned and private). During the crucial election year 2005, the role of the media was generally depicted as having been quite exemplary and unbiased, but also free from authoritarian control (probably due to the close international supervision during the entire election exercise). A relative degree of media independence was subsequently maintained (among private organizations, often inclined towards the opposition), but over time governmental intimidation intensified, along with attempts to muzzle the independent critical expression of opinions. In a number of cases, this has resulted in the arbitrary detentions of journalists and dissidents. An increasingly authoritarian government stance severely limits the freedom of expression.

Freedom of
expression

3 | Rule of Law

The separation of powers between various state organs and a system of checks and balances between them formally – and by and large also in practice – exists. However, the executive branch is in most cases capable of exerting an overwhelming influence, while the two chambers of parliament and the judiciary are relatively weak, finding it difficult to prevail over decisions taken within inner decision-making circles (not necessarily the cabinet, but the top echelon of the ruling party and particularly the president and his immediate office). In the absence of a strong independent media, and with a general lack of transparency with respect to political processes, very little is in fact known about the workings of the decisive inner power structures.

Separation of
powers

The judiciary is set up as a distinct separate institution, theoretically able to operate independently of all other state organs. Nevertheless, judicial appointments are made by the government (by the minister of justice, in consultation with the president), and a certain amount of political pressure has always been exerted on the

Independent
judiciary

judicial system. This was very clearly in evidence during the long years of the civil war, when members of the military and of other state security organs were for all practical purposes shielded from prosecution related to action against alleged rebels or implicated civilians. The lower levels of the judiciary are poorly trained and equipped, and the entire judicial system is prone to the temptations of corruption. In a dubious mid-2006 case, in which several high-level politicians (including the last interim president) were accused of treason, the Supreme Court (after several months of internal wrangling) took a courageous independent decision in the face of fierce government pressure. But the conviction of former CNDD-FDD Chairman Radjabu for high treason, and his subsequent sentencing to 13 years of prison, was seemingly based on very flimsy evidence and was the clear result of political opportunism. Similarly, the expulsion from parliament of CNDD-FDD legislators loyal to Radjabu was also regarded as the result of strong political pressure on the Supreme Court.

Before the installation of the present government (in 2005), the prosecution of either military or civilian office-holders for financial or other malpractices – whether under the various military regimes or during the two phases of transitional authority – was largely inconsequential. This general tendency now appears to be continuing in more or less the same fashion, creating a situation of absolute impunity. Several cases of apparent high-level corruption and of dubious deal-making have passed without visible consequences for the implicated persons.

Prosecution of
office abuse

During the years of the civil war, as well as during the periods of transitional government regimes, civil rights were severely and constantly endangered under the pretext of maintaining security in the fight against the rebel groups.

Civil rights

There is no systematic infringement of civil rights based on individuals' memberships in special groups of society (such as gender, religion or ethnicity).

The present government's increasingly authoritarian and opposition-fearing tendencies have led to a significant number of cases of clear intimidation of critical voices, of unlawful imprisonment without proven charges, of unexplained disappearances, and other such disturbing incidents. A particularly notorious case was the 2006 allegation of treason leveled against several high-ranking opposition politicians, who were imprisoned for several months based on highly dubious evidence. Some were allegedly tortured to obtain the desired proof. Cases of civil rights infringement are quite frequently reported by concerned civil society groups and critical media organizations.

4 | Stability of Democratic Institutions

Fully legitimized democratic institutions have been in existence only since the mid-2005 election cycle. They are in principle functioning correctly, but their status and the interplay between the different democratic state organs remain rather fragile, and have not fully been tested with respect to sustainability or stability. The 2005 elections were generally correct, free and fair. Many observer missions characterized them as considerably better than in many other African countries under similar post-conflict circumstances, but this verdict was also largely due to heavy international involvement and supervision. Since settling in, the new government and its administration have increasingly shown signs of authoritarian attitudes, making the other public organs' ability to exert a check on the executive extremely difficult. This state of affairs has now persisted for about three years, and there are no convincing signs of significant improvement. The extremely complicated constitutional requirements (with antagonistic parties having somehow to cooperate due to their representation in the all-inclusive cabinet) do not help to make things smoother. Parliament has for long periods been more or less paralyzed and unable to function properly. There is often undue one-sided pressure by the dominant governmental authorities on administrative bodies and the judiciary.

Performance of
democratic
institutions

In a formalistic sense, practically all relevant political and societal actors are operating within the framework of the 2005 constitution, and thus appear to have accepted the new democratic environment. However, it is not at all clear (and has not as yet been conclusively tested) to what extent the basic principles of democracy are genuinely accepted by all political groups and actors. Tutsis and their leaders have a deeply ingrained fear of being overwhelmed by the Hutu majority in any unfettered democratic system that lacks safety precautions for the minority (such as today's ethnic quota system). All Tutsi parties therefore vehemently objected to the regulations of the new constitution, which nevertheless passed on the basis of a referendum in early 2005. The present setup of the military (with a 50-50 distribution between Hutus and Tutsis) is meant to give a sense of security to both sides, but Tutsi officers might again attempt to intervene if Hutu politicians were to fully take advantage of their demographic dominance. As such, the acceptance of democratic principles remains somewhat tenuous. The run-up to the next (second) round of democratic elections in 2010, the various groups' conduct and acceptance of the results will provide an extremely crucial test of the genuine commitment to democracy.

Commitment to
democratic
institutions

5 | Political and Social Integration

A plethora of political parties (around 30) was registered for the 2005 elections. Most (plus a few new ones) still exist on paper, but only five managed to get enough votes to be represented in parliament. This indicates a high fragmentation of individual political players, but also a reasonable concentration of really relevant political groups. As opposed to the past's clear confrontation between two almost pure ethnic parties (the Hutu FRODEBU and the Tutsi UPRONA), the new constitution (a result of protracted negotiations under intense external pressure) has led to the somewhat artificial creation of ethnically mixed political parties – although the general perception of parties being primarily oriented towards one or the other ethnic group still persists. The present dominant party CNDD-FDD arose from the primary Hutu rebel group, but has in the meantime also integrated a substantial number of Tutsis.

Party system

The 2005 elections were held quite successfully under the new party system, but all parties have been faced with considerable internal rivalries and can be characterized as generally fairly shaky. The present status of the parties does not appear to be very stable or to be firmly socially rooted. In some cases, the historical distrust and discrimination between the ethnic groups still seems to be carried forward to the level of party politics. During the last three years there have been sharp internal splits in all three major parties, with the minority factions being brutally sidelined. This has contributed to unstable support for the government in parliament. Some new parties have been created by individuals unhappy with the prevailing situation. FNL (until very recently the last active Hutu rebel group) is likely to transform itself into a party and to become an additional significant contender in the political arena. The political configuration for the 2010 elections is not yet clear, and unforeseen alliances and further confrontations may yet emerge. As such, the party environment is still rather fluid.

The topography of well-articulated interest groups is rather limited. Practically all are subject to the historically based ethnic mistrust that permeates Burundian society. Mistrust is evident with respect to specific individuals or their party membership, and in general between different social groups (the relatively richer upper strata and the poor majority, for example). Although political parties have been forced to widen their ethnic membership, this has not necessarily or automatically been the case for other social or economic interest groups (although diversification of membership is also beginning to happen there). Most therefore represent fairly narrow ethnic, regional or local interests. Despite the country's small size, fragmentation between locally centered interests with a narrow focus is rather typical.

Interest groups

In the absence of any survey data (such as Afrobarometer research) on attitudes toward democracy, it is extremely difficult to make a judgment about the population's true consent to the values of democracy. Impressively high rates of voter participation in the 2005 elections can first of all be attributed to an all-pervasive desire for peace after many years of conflict by all population groups, but also to a general perception by the Hutu majority of finally being able to express and further their group interests on the basis of their numerical strength. It can be assumed (although without empirical survey evidence) that many (but certainly not all) Tutsis are probably quite skeptical about the validity of democracy, since they have deep-seated fears of being overwhelmed by the Hutu majority, and of the possibility of reprisals for their years of dominance. Even if most of the population voted, the majority of peasants in the countryside do not really care about politics as long as they can pursue their normal work. The elections in 2010 may provide an indication of the population's appreciation of (or disappointment in) the merits of the new democratic system.

Consent to
democratic norms

Traditional self-organization does exist at the lowest local level (the village neighborhood of the "collines"), but rarely does so at a larger geographical scale, as it lacks support from the established higher authorities. The focus of the rural population is primarily local, and trust as a form of social capital does not normally reach beyond the narrow confines of local or provincial boundaries. The Hutu peasantry has over centuries learned to be rather subservient and has avoided challenging the higher echelons of society (traditionally dominated by Tutsis). The historically evolved distrust between the ethnic groups has largely prevented the emergence of autonomous bi-ethnic groups at the national level (with the exception of a limited number of effective modern NGOs). The general situation and societal climate in this regard has improved over the last few years of peaceful conditions. Ethnic mistrust has nevertheless not disappeared completely, even if it remains primarily in the background.

Associational
activities

II. Market Economy

After more than a decade of civil war, partial sanctions imposed by neighboring countries, and geographical constraints, Burundi has entered a new phase of national rehabilitation and reconstruction, premised on expectations of fairly substantial external aid support. An inexperienced new government was installed in late 2005 and has since been experimenting with finding a steady and consistent economic orientation, under the given circumstances of extreme poverty and underdevelopment. Many aspects of present-day socioeconomic policy thus appear rather ambivalent, lacking clear conceptual focus.

6 | Level of Socioeconomic Development

Burundi is one of the least developed countries in the world, occupying rank 172 (out of 179) in the 2008 UNDP Human Development Index. In the 2008 Global Hunger Index, it is only three places from the bottom of the list. The poverty situation is clearly one of the most extreme in the world: In 2006, 81% of the population were below the international poverty line, defined as living on \$1.25 per day (according to World Bank estimates), and 93% were below a poverty line of \$2 per day. Less than 10% of the population lives in urban areas (much lower than the African average), and many peasants live under subsistence conditions with very little cash income. The modern manufacturing and service sectors are very small and regular wage employment is extremely limited. All socioeconomic indicators show the Burundi's deep structural difficulties, which include the highest population density in Africa, a shortage of arable land and increasing climatic dangers in the form of drought. There is an extreme disparity between the capital city Bujumbura's modernity and practically the entire remainder of the country. A highly significant socioeconomic differentiation remains between the vast majority of the Tutsis (who live mostly in towns, with a higher social and educational status) and the mainly rural Hutus.

Socioeconomic
barriers

Economic indicators		2004	2005	2006	2007
GDP	\$ mn.	664.5	795.9	918.8	979.8
Growth of GDP	%	4.8	0.9	5.1	3.6
Inflation (CPI)	%	10.7	13.5	2.8	8.3
Unemployment	%	-	-	-	-
Foreign direct investment	% of GDP	0.0	0.1	0.0	0.1
Export growth	%	-	-	-	-
Import growth	%	-	-	-	-
Current account balance	\$ mn.	-33.0	-9.6	-133.5	-115.6
Public debt	\$ mn.	1326.8	1229.6	1291.3	1344.1
External debt	\$ mn.	1390.4	1321.8	1411.6	1456.1
Total debt service	% of GNI	13.6	5.1	4.3	4.0

		2004	2005	2006	2007
Cash surplus or deficit	% of GDP	-	-	-	-
Tax Revenue	% of GDP	-	-	-	-
Government consumption	% of GDP	26.1	26.5	28.8	-
Public expnd. on edu.	% of GDP	5.2	5.1	-	-
Public expnd. on health	% of GDP	0.6	0.5	0.7	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	6.8	6.2	4.9	4.7

Sources: The World Bank, World Development Indicators 2009 | UNESCO Institute for Statistics | International Labour Organization, Key Indicators of the Labour Market Database | Stockholm International Peace Research Institute (SIPRI), Yearbook: Armaments, Disarmament and International Security.

7 | Organization of the Market and Competition

Burundi's institutional framework for a market economy is relatively weak and inconsistent. Factors hindering the regular functioning of a market-based economy include a large informal sector, widespread corruption, a highly cumbersome public administrative bureaucracy and an inclination by decision-makers for ad hoc interventionism without adherence to clear principles. Despite constant pressure from the IMF, the World Bank, the European Union and other donors for further economic reforms and general liberalization (as well as the government's need to comply with conditions set by the donor community), progress on this front has been at best haphazard and half-hearted. In a largely clientelistic political environment it remains tempting for politicians to intervene directly in the economic sphere, and to be able to influence economic activities in accordance with political or personal opportunities

Market-based competition

Due to the national economy's very small size and particular structural features, there is little practical scope for the effective control of monopolies or oligopolies. The country's post-2007 membership in the East African Community (EAC) market may slowly have some practical bearing on this situation by confronting Burundian economic actors with competition from the more advanced EAC partner countries.

Anti-monopoly policy

The foreign trade sector is partially liberalized, but is nevertheless subject to cumbersome regulations and border controls. For instance, the time-consuming procedures associated with import duties and complicated administrative regulations, particularly at the Bujumbura port on Lake Tanganyika, quite frequently lead to the decay of goods. A reluctant attitude toward import and trade

Liberalization of foreign trade

generally prevails. In 2004 Burundi joined the Common Market for Eastern and Southern Africa (COMESA) free trade agreement, which necessitates a liberalization of the foreign trade regime in conformity with COMESA regulations, but actual compliance in administrative terms had been rather slow. With the full admission into the EAC in July 2007, Burundi was tasked with gradually adjusting to all formal requirements of the EAC Customs Union, but this may take a number of years. The currency's exchange rate is largely left to the market forces (with some occasional intervention by the central bank).

The banking system's quality is quite poor, failing to meet modern standards. This is particularly true outside Bujumbura, as all financial institutions are concentrated in the capital. The banking system is poorly differentiated and is a stifling factor with respect to faster advancement of the economy.

Banking system

8 | Currency and Price Stability

Inflation control and an appropriate exchange rate are recognized as important goals of governmental economic policies, but their pursuit faces several structural obstacles. The central bank is formally an independent institution, but is in reality subject to influence by the highest political authorities. Since 2000, all foreign-exchange dealings have been liberalized, with rates determined by currency auctions under the guidance of the central bank. Some private foreign-exchange bureaus are allowed to operate alongside to commercial banks. The gap between official and parallel rates has for years been kept at less than 10%. The official exchange rate has been relatively stable for several years (with a tendency toward slight gradual depreciation). Inflation control has been difficult, with food and general agricultural prices subject to the vagaries of changing weather conditions. In addition to considerable seasonal fluctuations, the average annual inflation rate has itself fluctuated markedly in recent years, mostly hovering around 10%. In 2008, inflation shot up strongly to almost 25% (mostly due to food and energy costs).

Anti-inflation /
forex policy

During the years of military regimes and the following period of transitional governments, concerns about financial macrostability were subordinated to the immediate needs of fighting the civil war, and later of accommodating the political expectations of all the competing political players. During these periods, the presence of international aid and financial institutions was largely confined to emergency operations, with little influence on macro-policies.

Macrostability

The present government, which took office with little experience, has struggled to establish the firm framework and coherent understanding that might lead to stability-oriented fiscal policies. The new leaders have found it very difficult to disappoint the high expectations raised among its supporters; nor was strict adherence to fiscal discipline to be expected on the part of former rebel leaders. A

hefty increase in public sector salaries, promised by the president as a populist measure on 1 May 2007, had to be postponed due to IMF intervention, but was eventually granted in 2008. The quota system has also led to an increase in the number of public sector employees. The government's heavy reliance on aid resources has forced it to (more or less) follow the conditions of financial orthodoxy set by external donor institutions, although at times this has clearly conflicted with demands by the ruling party's leadership to pursue more populist programs.

9 | Private Property

Property rights have all along been formally defined by law, but their application and defense has always been precarious. This issue has deepened in the post-conflict environment, with significant changes to the sociopolitical and economic fabric of society taking place, and an uprooted population of refugees seeking a new and secure footing. Conflicts over access to land – even beyond the cases of returning refugees – are potentially highly dangerous in terms of provoking further social confrontations. Existing provisions for regulating property rights are far from satisfactory. No clear future land policy has as yet been worked out and consensually agreed upon by key political actors.

Property rights

Private companies can in principle operate freely, but are subject to considerable bureaucratic and occasionally direct political interference. The attitude of government and ruling party leaders toward private business is rather ambivalent. On the whole, they are inclined toward a strong state role, particularly with regard to the redistribution of wealth after years of extremely distorted socioeconomic opportunities and assets. State companies offer valuable opportunities for patronage and corruption. The privatization of public companies and institutions, strongly advocated by the World Bank and other donors as a part of aid support programs, has progressed slowly and with considerable reluctance on the part of the political leadership, but it has been kept on the agenda (e.g., with respect to the privatization of small coffee factories).

Private enterprise

10 | Welfare Regime

Burundi lacks public social safety nets for the majority of its population, with the exception of a small group of government, military and parastatal employees (and even for these, resources provided are minimal). Although the long years of civil war have in many areas disturbed or even destroyed traditional social structures, most features of traditional rural solidarity systems have nevertheless survived to a considerable extent, and still provide the foundation for at least a minimal social safety net for individuals within a family or village context. The biggest problems are presently faced by former refugees, internally displaced persons and returned

Social safety nets

ex-combatants who have been (and to some extent still are being) repatriated into uncertain surroundings, and lack recourse to any organized welfare or aid systems. Even the traditional village-level solidarity is already being strained due to the effects of extreme overpopulation in rural areas, as well as worsening ecological conditions. The country can clearly not combat the prevailing poverty on its own with any fair chance of success.

Mechanisms for providing equal social and economic opportunities to all segments of the population are still extremely limited, although the recent change in the political power configuration is gradually beginning to make some difference. In the past, Tutsis had vastly superior opportunities for educational, social and economic advancement, as well as political privileges, as compared to almost all Hutus (with a relatively small number of exceptions). The new political situation has opened many new opportunities for politically connected Hutus, but a broad-based, fundamental societal change with respect to educational and economic opportunities will take many years. For the immediate future, the majority of Tutsis (predominantly living in towns and with a good educational background, although a number of Tutsis are rural peasants and are just as poor as the Hutus) can still derive considerable benefit from their historic privileges, while for most rural Hutus it will be very difficult to close the gap. The Twa ethnic group remains almost completely shut out of any meaningful opportunities. Women still suffer from traditional disadvantages, but systematic efforts to improve educational opportunities for girls have been made. In the modern urban environments, women do have the chance to attain fairly good positions (although not on a fully equal basis), but this is due to the prevailing legal framework rather than to their male colleagues' convictions.

Equal opportunity

11 | Economic Performance

Fundamental structural deficiencies and a long period of civil war have left Burundi with one of the least developed and most vulnerable economies in the world. The absolute value of per capita GDP in 2007 was just \$118 (corresponding to \$343 in PPP terms), the lowest value on the entire African continent. The country ranks near the bottom of the UNDP Human Development Index (rank 172 out of 177 countries worldwide), indicating a very poor standard of social service and of general popular well-being. Coupled with a precarious ecological condition, Burundi can barely assure self-sufficiency in food production, and is listed at the bottom of the Global Hunger Index. The measured incidence of poverty (with 81% living below a poverty line of \$1.25 per day) is one of the most appalling in the world.

Output strength

It was only after the 2005 elections and the installation of the new government that a new period, with emphasis on national reconstruction and on revitalizing the economy, got underway. This has included promises of substantially enhanced external aid support, on which Burundi will remain dependent for a long time to

come. By the close of the review period, the new and largely inexperienced government team (whose composition often changed due to political quarrels) had been in office for just over three years. A number of new initiatives have been undertaken, but the overall macroeconomic performance has remained disappointing and lackluster, partly as a result of unfavorable climatic conditions (drought, floods) and corruption. The last few years' GDP growth rate has remained disappointing at under 5% per annum (i.e., per capita growth of less than 3%, from an extremely low absolute base), while inflation shot up to about 25% in 2008. The negative current account balance continues to hover around 15% of GDP, and the government's fiscal deficit has fluctuated between 5% and 7% of GDP. The value of imports has continually grown faster than export receipts, with no sign of improvement in the structural trade deficit.

Noticeable acceleration of growth and general socioeconomic improvement can only be expected after an agreement between the government and major aid donors on the fundamentals of a determined reform program, on the basis of a convincing PRSP. In January 2009, one important step forward was belatedly made in the form of cancellation of most of Burundi's outstanding external debt. This may be taken as a sign of growing confidence on the part of the international donor community, but also as simple recognition that there is no alternative but to grant debt forgiveness to a state as fragile as Burundi. However, the medium-term prospects for really significant positive changes do still not appear very bright.

12 | Sustainability

Under the stress of immediate short-term problems (survival under conflict conditions, severe overpopulation given the relatively low level of agricultural technology, prevailing subsistence agriculture conditions, etc.) little attention has so far been given to longer-term environmental sustainability. Soil degradation and the fast destruction of the last existing forests are already very serious problems, since this further undermines the country's ability to feed its own population. In addition, the continuous decline in Lake Tanganyika's water level represents an ecological danger for the whole region. At the local level the population may be increasingly aware of the dangers of certain practices (sometimes under the influence of NGOs), but they normally do not see any viable alternatives. With the resumption of larger externally financed aid programs since the change of government, environmental concerns are receiving much more attention.

The entire education system suffered heavily during the period of civil war, and is still recovering slowly. Generally the quality of education and of existing facilities is poor. About 4% of GDP is spent on the education sector. There is traditionally a heavy bias in favor of the secondary and tertiary education levels (both strongly concentrated in the capital city) for a small number of beneficiaries, with rural

Environmental
policy

Education policy /
R&D

primary education receiving very little attention until recently (although the new government has pledged to improve this situation). Modern research and development activities are practically nonexistent. Substantial efforts to improve the education system are needed. In September 2005, as one of the new government's first measures, fees for primary education were abolished. As a consequence, the number of pupils suddenly increased dramatically, without provision for a corresponding increase in the number of teachers, classrooms and necessary schooling materials. The entire school system is still struggling to cope with this new situation. The country's only university, in Bujumbura, is inadequately equipped, the quality of education is low, and there are frequent strikes.

Transformation Management

I. Level of Difficulty

The structural constraints preventing a successful political and economic transformation process are extremely high. These include a very low absolute level of economic and social development; a difficult geographical situation (landlocked, high-cost transport arteries); precarious ecological conditions; extreme overpopulation with respect to available land resources; an extremely high incidence of poverty; the need to integrate many returning refugees, internally displaced persons and ex-combatants; poor infrastructure; lingering ethnic polarization (although this is not always evident in daily life) with memories of a very violent recent history; a generally low level of education (specifically among the Hutus); and the relative inexperience of political leaders.

Structural
constraints

Traditions of civil society organization are weak, and are largely confined to the urban environment in Bujumbura and the Tutsi population, although this situation has gradually begun to change in the last few years. There have traditionally been few NGOs able to transcend the deep-rooted distrust (or at least lack of genuine trust) between the two ethnic groups, a situation that largely continues today. Among the rural Hutu population there is hardly any tradition of organized civil society (other than very simple neighborhood solidarity), in view of a long and deeply ingrained history of subservience to the ruling Tutsi elites. Even the new political authorities have not seemed to actively encourage the emergence of a more vital civil society. Nevertheless, some positive changes with respect to greater interethnic cooperation and the expansion of activities into rural areas have occurred since the end of the civil war.

Civil society
traditions

The fundamental ethnic polarization between the Tutsi and Hutu population groups, which is also an expression of widely diverging social classes and power relationships, has been the historical root cause of Burundi's political and socioeconomic dilemma. However, there has always been – and still is – a reciprocal relationship between the two phenomena: Prevailing socioeconomic class differences and the asymmetrical power relationships have helped entrench ethnic polarization and the two ethnic groups' perception of each other. But since the end of the civil war, and after the peaceful 2005 elections, people have begun dealing

Conflict intensity

increasingly openly with the question of ethnicity. Nevertheless, both sides' deep-seated fears of violent reprisals (as traumatically experienced many times in recent history) remain close to the surface.

Religion has generally not been an additional conflict factor, since the dominant Catholic Church has by and large been able to maintain credibility among both ethnic groups. Recently, some moves have been made (mostly by now-imprisoned former CNDD-FDD chairman Radjabu) to promote the interests of the hitherto fairly small Muslim community.

The present political environment (including the new constitution and the 2005 elections) has seen the entrenchment of a compromise formula with fixed ethnic quotas for all public institutions, aimed at overcoming the underlying ethnic and social conflicts. However, this arrangement is still new and fragile, and its longer-term sustainability has not yet been tested (a crucial test will be the 2010 elections).

In addition, there are conflicts over arable land which will undoubtedly lead to serious problems in the future. Generally, conflicts on the basis of access to resources and/or aid are very common. These may not necessarily be related to ethnicity, but may nevertheless appear along ethnic or political lines. Envy is a common phenomenon as a result of the general prevalence of widespread poverty.

II. Management Performance

For many years, Burundi's political leadership was fully occupied with maintaining control of the country during a situation of civil war, and with attenuating the effects of international isolation. Later, during the interim transition period, the political elite were engaged in power games and maneuvers, seeking to maintain influence in the negotiations over the new political system (including the new constitution and 2005 elections). All along, economic management and any socioeconomic reforms needed to bring about genuine transformation were considered to be of secondary importance (if they were considered at all, since political survival took precedence over everything else).

The present government (which was initially staffed with inexperienced key personnel, and which has seen frequent changes resulting from political infighting) came to office in September 2005. Thus, it has had only a little more than three years to initiate and implement a new management style with respect to socioeconomic issues. The task has been made more difficult by the fact that the distribution of power – given the country's violent history and ethnic polarization – is still extremely fragile and not yet sustainably entrenched.

14 | Steering Capability

The political leadership has found it very difficult to pursue consistent, long-term goals with respect to constitutional democracy and a socially responsible market economy. This is understandable, given the very substantial political and socioeconomic constraints (as outlined under 13.1), the fragility of the present political situation and the expectations of the hitherto largely neglected Hutu majority. It is clear that short-term political exigencies often have to take precedence over supposedly longer-term priorities. However, the government has to date had considerable problems in settling on a long-term development strategy. A PRSP document (necessary as the basis for further firm commitments by aid donors, and for debt cancellation) was completed after considerable delay, but no clear and determined implementation strategy has as yet been discernible. Given the overwhelming dependence on external aid support for any substantial national rehabilitation, and the relative lack of sufficient national expertise, the role of external agencies in setting priorities is very strong. The level of national decision-making capability is correspondingly relatively weak.

Prioritization

The government is in principle committed to implement its stated political and economic reform goals, but the many existing structural constraints often prevent successful implementation.

Implementation

In the political realm, no pursuit of a completely unrestricted democratic system is possible (or even desirable under present circumstances), since the distribution of political positions is bound by constitutional provisions with fixed ethnic quotas, overrepresenting the Tutsis. The government has been careful to fulfill the spirit of the constitution without giving cause for any new antagonism. The next elections, in 2010, will be a crucial testing ground for the present democratic system practicability and peculiar safeguards (derived from the model of consociational democracy).

In the socioeconomic field, a number of obstacles prevent the realization of a fully fledged market economy. Entrenched interest groups are holding out against reductions in the control of public institutions, while formerly underprivileged groups understandably expect the state to play an active role in redistributing wealth from its historically radically uneven levels (rather than leaving this simply to market forces, which would only benefit the already privileged groups).

The present political leadership has generally proved to be fairly flexible (or to some extent, simply opportunistic) and has learned from past mistakes (particularly with regard to avoiding ethnic and political polarization). The government has been careful to adhere as much as possible to the provisions of the constitution, to include a number of Tutsis in leadership positions, and to avoid promoting too

Policy learning

many Hutus without any regard to formal merit criteria (although political cronies without professional experience have been given positions of responsibility). This marks a sharp contrast to 1993, when the elected Hutu government quickly introduced too many rapid changes, thus raising Tutsi fears and eventually triggering a violent putsch by Tutsi officers, which subsequently led to the civil war. The former party chairman of the ruling CNDD-FDD pursued an increasingly authoritarian and antagonistic leadership style, thus threatening the orientation to consensus within the party and even more so in the society at large. This could easily have escalated to dangerous levels, but was stopped by Radjabu's removal from office and subsequent incarceration. Socioeconomic policies are bound by hardly any rigid ideological convictions, but there is also little in the way of new or innovative approaches. The prevailing attitude is one of pragmatism, largely in line with the requirements of current donor policies.

15 | Resource Efficiency

All past regimes showed quite low efficiency in utilizing the state's financial and human resources. Patronage considerations, the creation of a bloated bureaucracy, and the security organs' requirements were prime motivators of action.

Efficient use of assets

The present government has found it very difficult to significantly change the situation, even if willing to make the attempt. New expectations of patronage in public positions had to be met. President Nkurunziza initially tried to set a positive example by introducing a more ascetic leadership style, but with limited overall impact, since his actions are often not readily evident to the general population. The complex nature of the government, made up of representatives from many different political groups, does not facilitate a coherent or frugal use of state resources. In addition, the government still spends considerable sums on an inflated military and police sector.

The government's complex composition makes efficient coordination between the activities of the various ministries and other public bodies very difficult, since the politicians in decision-making positions tend to strengthen their own public profiles and pursue their own priorities without adhering to a coherent or coordinated central government strategy. Former CNDD-FDD party chairman Radjabu often (until his removal) interfered with government activities, further preventing meaningful coordination. President Nkurunziza does not play a very forceful role as undisputed leader with the ambition of determining the country's overall development strategy.

Policy coordination

The government has made an official commitment to fight corruption more energetically than the previous regimes, but no obvious results are as yet visible. Various charges have been made about corruption among members of the present government. In September 2008, the second vice president resigned, specifically citing among other reasons the factor of public corruption. Several ministers have been forced to resign due to charges of corruption. The effects of deepening inflation have prompted civil servants to turn increasingly to corrupt practices. Burundi is thus the most corruption-prone of all EAC countries, and there has been a clear worsening of the situation in comparison to 2006.

Anti-corruption
policy

16 | Consensus-Building

Most political actors have reached a rudimentary consensus on goals with respect to the political and socioeconomic arenas.

Consensus on goals

The political compromise presently forming the foundation for all public institutions (including the military) is codified in the 2005 constitution. This stipulates a complicated system of fixed ethnic quotas for all public elected and administrative bodies and for the military. In the run-up to the constitutional referendum, these provisions were firmly rejected by practically all Tutsi parties, since Tutsis feared they would eventually be outmaneuvered by the Hutu majority. However, this appears to be the best presently available compromise (and has been accepted at least for the time being). No agreement on an unfettered democratic system (without quotas) is presently possible, since it would leave the Tutsis without any guarantee of protection. The Hutu FNL rebel group held out against the present compromise for years, claiming that it did not go far enough to overturn the old power distribution. However, the FNL has now (as of January 2009) given up resistance, indicating it will transform itself into a regular political party and participate in the 2010 elections under the provisions of the constitution.

There appears to be a somewhat vague consensus on general market-economic principles among most political actors, although the state is widely expected to take primary responsibility for promoting development and rebalancing inequalities of wealth.

The FNL, the last remaining Hutu rebel group, only very recently agreed to give up its armed activities, accepting the terms of a peace agreement that had been under negotiation (with external mediation) since mid-2006. The FNL claimed to be fighting for the true interests of the underprivileged Hutu majority, which it argued had not been sufficiently considered under the present constitutional compromise. It was only in January 2009 that the FNL leadership finally agreed to turn the movement into a registered political party and to participate in the 2010 elections. Whether they permanently remain on this democratic course will probably depend on the conduct and outcome of these next elections.

Anti-democratic
veto actors

Political rivalry between various Hutu-dominated parties – particularly between the ruling CNDD-FDD, the formerly dominant FRODEBU, and now the FNL – may in the future lead to enhanced tension, with attempts to block the delicately balanced political consensus. However, this appears somewhat unlikely for the time being, given the relatively strong position of the CNDD-FDD as ruling party (although its internal divisions may lead to further confrontations and bring about new groups of spoilers). The sharp rivalry between several Hutu-leaning parties has the positive effect of widening the political arena, thus reducing Tutsi fears of the Hutus' sheer numerical dominance.

Among Tutsi politicians, it is still conceivable that hardliners might attempt to regain control with help from the military (where the higher ranks are still dominated by Tutsi officers, although overall ranks are about evenly split between Tutsi and Hutu) if they feel too threatened by Hutu dominance. However, such a scenario does not today appear very likely.

The lengthy transition process following the 2000 Arusha peace agreement, the 2005 constitution and the present-day political environment were and are aimed at overcoming Burundi's deep-rooted political and social cleavages. The past's negative legacies cannot easily be erased, but the carefully balanced compromise formula has to date been able to prevent renewed escalation of these cleavages (which will persist for a long time to come).

The present political leadership – like that of previous regimes – does not feel comfortable enough or sufficiently established to freely and generously accommodate the critical expressions of civil society groups. In any case, such groups are relatively weak, and limited in number and scope. Civil society actors today are predominantly based in Bujumbura and composed of Tutsi members, thus prompting a skeptical regard by the authorities. Any potential positive influence by independent civil society actors is thus largely ignored. No nationally recognized and effective civil society organizations really exist. The few well-known civil society groups and actors are drawn from the small political class in the center.

The establishment of a Truth and Reconciliation Commission (TRC) – following the example of South Africa and Sierra Leone – was for some time after 2000 proposed as part of the general peace process. However, the government has proved to be very hesitant about this idea. Concrete progress has consequently been very slow, despite U.N. offers of assistance in establishing a TRC and a special court for dealing with war atrocities. Members of all the various political groups (former regimes and governing parties, military, rebel groups) are in one way or another implicated in the commission of atrocities during the war years or earlier ethnic pogroms. They are primarily interested in finding compromise formulas for forgiveness without dwelling too much into the past, while victims' groups (and to some extent the international community) expect at least a modicum of

Cleavage /
conflict
management

Civil society
participation

Reconciliation

accountability for the dark years of the country's recent past. There is therefore a vague recognition of the need to deal constructively with this history, but this has largely been ignored in favor of preserving the formerly antagonistic forces' present peaceful coexistence. In addition, there are no available structures to facilitate asking for forgiveness or pardon. Except for the church in some places, and a few NGO activities, there is no public forum for forgiveness, although the general population appears in principle ready to forgive. A TRC may eventually get under way, but only with lackluster official government support.

17 | International Cooperation

Given the structural barriers to governance and the devastating effects of the long years of war, the government has no option but to rely very heavily on the support of international aid donors. Even the international routine of receiving and properly implementing aid resources, was largely new to the rather inexperienced government team that took power in late 2005. Certain shortcomings in dealing with aid procedures and in making efficient use of available programs therefore unavoidably occur. There is still large scope for improvement, but generally the state administration is attempting to make good use of external support, knowing full well that few other sources are available.

Effective use of support

The government tries to act as a reliable and credible partner in its dealings with international actors, but the often-divergent views of different government coalition segments and the resulting lack of clear common positions make it quite difficult for government agencies act in a fully consistent manner. To a large extent, this stems from the highly volatile and confusing domestic political environment of the last few years. But whatever its cause, the lack of consistency has led various donor organizations to express doubt and frustration over the professionalism and political reliability of the Burundian side.

Credibility

During the war years, the military regimes and the period of transitional governments, Burundi was in practice (and involuntarily) virtually under the tutelage of its regional neighbors (including South Africa), which acted as mediators seeking a compromise formula that would allow a new beginning. With varying degrees of willingness or reluctance, most of the country's internal feuding groups eventually accepted the demands of the regional mediation process. Most recently, this included the FNL's agreement to lay down its arms.

Regional cooperation

The present government is fully aware of the need for good neighborly relations with all countries in the sub-region. Fairly cordial relations have been established with the most important neighbors, Rwanda and Tanzania. The recent (July 2007) admission to full membership in the East African Community was a very important step, as this will eventually bring the country into a deeper process of regional

integration (although Burundi is by far the weakest member of the EAC and this is expected to remain so). In contrast to its stronger neighbors, Burundi is unlikely to pursue ambitious foreign policy goals in its sub-regional vicinity, but will be concerned with maintaining good relations with all its neighbors and with keeping as much as possible out of emerging conflicts. Burundi was only one of only two African Union (AU) countries (the other is Uganda) to contribute soldiers as peacekeepers in Somalia. This was officially declared to be a token of regional solidarity in reciprocation for international support. However, the decision may have been more aimed at pleasing the United States, which was in favor of the AU mission; moreover, it had the positive side effect of keeping army units busy, while getting some financial compensation for their deployment.

Strategic Outlook

Burundi is simultaneously faced by very severe political and socioeconomic challenges. These are further exacerbated by conditions of growing ecological stress and heavy overpopulation. As one of the poorest and socially least developed countries in the world, Burundi will clearly need continued and substantial external support for a long time to come, if a broad-based general improvement in popular well-being is to be expected. For the first time in Burundi's post-independence history, the political situation provides a modestly optimistic framework for the reconstruction and further development of both a legitimate state and a modernizing economy. However, after years of civil strife, the foundations of the newfound politico-societal compromise remain fragile, and cannot yet be taken for granted or viewed as unequivocally stable.

Regarding the political situation, a general condition of peace extending throughout all corners of the national territory seems imminent for the first time in many years, provided there is no (further) last-minute complication or breakdown in the peace agreement between the government and the FNL. As of February 2009, the chances for an end of all FNL hostilities, for the complete demobilization of the group's fighters and for the FNL's conversion into an accepted registered political party appear at least better than ever before (although past experience requires a small grain of skepticism to be maintained until the last moment). But beyond a final positive conclusion of the FNL problem, the country's broader political configuration, based as it is on the 2005 constitution's finely balanced ethnic quota system, is still quite fragile. A general spirit of compromise and cooperation on the part of all relevant national actors will be necessary for its survival and longer-term implantation. This obviously also entails some restraint on the part of the ruling government authorities, so as to avoid monopolizing all spheres of public life and thereby antagonizing latent adversaries. The CNDD-FDD's authoritarian tendencies and internal splits, both of which have been much in evidence since its undisputed election victory in 2005, have not augured well in this respect. The same is true for the conduct of the entire political class and its narrow-minded infighting during the past three years. For the new political consensus to hold without relapse into old-style (ethnic) confrontation, an enlightened understanding of its continued fragility is required from all the many potential political players. An absolutely crucial test for the stability of the system (or for a possible relapse into political turmoil) will be the run-up, conduct and acceptance of the next national elections in 2010.

These perspectives also need to be constantly emphasized by Burundi's external partners, both the sub-regional neighbors and the wider international community. At the moment, some moderate optimism as to the persistence of the present peaceful compromise appears justified, although latent dangers of the resurgence of old fears and grievances, and of again moving backwards into renewed violent conflict, have not been permanently eliminated. The military would be an absolutely crucial factor in any situation of renewed social tension, but its changed ethnic composition (now featuring roughly equal numbers from both ethnic groups) may help to

prevent any one-sided actions of suppression, like those of the past. To date, the state security organs have not given cause for worry about their possible intervention into the political processes.

Sustainable peace and political stability will also depend heavily upon some noticeable progress in respect to the rehabilitation and modernization of Burundi's economy. This will be a prerequisite for any improvement of the social welfare of significant parts of the ordinary population. Even with a substantial and sustained increase in international aid support (which is presently open to question, due to the donor community's continuing doubts as to the competency and resilience of the political leadership, as well as the generally worsening international climate for further aid increases), structural constraints will make it difficult to have any major impact within a relatively short period of time. To be sure, various donor agencies have in recent years made new aid pledges, and a number of programs have gotten underway (in 2007 Burundi received a total of \$466 million in aid, equivalent to 50% of its GNP, or \$55 per capita). However, the completion of a final PRSP was much delayed, and debt cancellation under the HIPC initiative was achieved only in January 2009. The credibility of the Burundian political authorities' development efforts still remains somewhat doubtful. Due to the present low level of general socioeconomic development, reaching the status of a socially oriented, differentiated market economy does not presently appear to be a realistic goal for the near future. All efforts during the coming years will continue to be focused on rather modest economic and social improvements, but not on genuine structural transformation of the economy. The U.N. Peacebuilding Commission selected Burundi as one of its two initial focus countries (together with Sierra Leone), which raised hopes of attracting more international attention than would otherwise be forthcoming, but this has not been the case. In summary, overall socioeconomic perspectives for Burundi are certainly considerably better than they have been for years, but will nevertheless remain relatively modest in absolute terms.