Analysis of the Contribution of Foreign Policy Strategies to the Economic Development in Rwanda

Aimé Muyombano I. PhD Scholar*; Prof. Maurice M. SAKWA, PhD**, Dr. Jared DEYA,PhD ***; Prof. Eugene Ndabaga, PhD****

* School of Development Studies and Communication, JKUAT, Nairobi-Rwanda
**Senior Lecturer and COD Development Studies, JKUAT, Nairobi-Kenya
*** Lecturer School of Development Studies and Communication, JKUAT, Nairobi-Kenya
**** Senior Lecturer School of Education, University of Rwanda, Kigali-Rwanda"

Abstract- To analyse the contribution of Rwandan Foreign Policy Strategies and its Economic Development is pertinent to understand how Rwanda's diplomacy has contributed to socioeconomic development of the nation. This study is important to various stakeholders in particular the Government of Rwanda, academicians, professionals and researchers. In this paper, researcher aimed at developing the notion conceptually. Specifically he built on the work of Nath, (2013), Kim. (2012), whom their works were based on the contribution of Strategic Partnership, regional, global to economic development. The target population was 214 from Public&Private Institutions. Primary data was collected using structured questionnaires. Secondary data was collected by reading and analysing relevant books and journals. Data was analysed using descriptive and inferential statistics. In particular, regression analysis was carried out to investigate the relationship between hypothesized variables. The study found out that foreign policy strategy has a statistically significant effect on economic development in Rwanda (F=9.757, R^2 = 0.783, Sig=0.004<0.05). With a p-value of 0.002 < 0.05, it can be concluded that wealth creation strategy has a statistically significant effect on economic development of Rwanda (F=9.757, R^2 = 0.783 Sig=0.004 at α=0.05). With a p-value of 0.003 < 0.05, it can be concluded that regional and global relationship strategy has a statistically significant effect on economic development of Rwanda (F=9.757, R^2 = 0.783, Sig=0.004 at α=0.05). With p-value of 0.002<0.05, it can be concluded that partnership strategy has a statistically significant effect on economic development in Rwanda (F=9.757, R^2 = 0.783, Sig=0.004 at α=0.05). The study established a positive contribution between foreign policy strategies and Economic Development in Rwanda. Therefore, the study recommends that partnership strategy should go hand in hand with economic diplomacy in order to attract foreign investors and enable strong trade negotiation for improving import and export promotion.

Index Terms- Partnership; Regional & Global and Wealth creation strategy

I. INTRODUCTION

At the Global historical and theoretical perspective, Foreign policy strategies goes back to primitive times where the immeasurable desires of the human being used to be based on collaboration with others to create a tactful cooperation. Then established foreign policies were built on a compromise between them that the most of these relations were carried out by word of mouth and left little direct archaeological evidence, (Nancy, *et al.,* 2009).

According to the Gavin, (2013), illustrates that partnership; Regional, global relations and wealth creation strategies between States started to become more serious after the 2nd world war especially during the cold war when United States of America and western Europe countries were initiated in 1953 during the sent to the European Coal and Steel Community with American support the technical and financial cooperation between them; The partnership, regional, global relations and wealth creation of these two biggest economies in the world were focusing on the areas of economy, education, trade and investment.

For EU, (2013), the total investment of the United States of America in the European Union was three times higher than in all of Asia. To this date, the same report reveals that the European Union investment in United States of Americas is around eight times the amount of European Union investment in India and China together. European Union and United States of America investments are the real drivers of the transatlantic relationship that is contributing to the growth and jobs creation on both sides of the Atlantic block. The transatlantic relationship of the European Union or the United States of America is the largest trade and investment in the world, (Vandinika, *et al.*, 2015).

Indeed, much of the debates surrounding the successors to the different International policies and accomplishments such as Millennium Development Goals (MDGs) in 2000; sustainable Development Goals (SDGs) in 2015; Group of 77 at the United Nations that has loose coalition of developing nations, designed to promote its members' collective economic interests and create an enhanced joint negotiating capacity in the United Nations that

started as 77 founding members of the organization, (Zukang. 2008).

Bruce, (2006), demonstrates how concepts of economic development were being based on traditional economics, which explain the efficient allocation of scarce resources of the country, and political economics. However, the social development and political process of development of the nation shows the role of values, attitudes and institutions in the process of development. Contrary to Bruce's assumptions, Partnership strategy, regional and global relations strategy as well as wealth creation strategy seem to be effective in promoting socioeconomic developing of nations.

At the Continental, regional perspective; the given small size of most African economies and state borders that pay little heed to the distribution of natural endowments, regional economic integration is commonly seen as essential for Africa (Jaime de Melo, *et al.,* 2014). The economies of many African countries have grown more rapidly over the past decade, significantly reducing extreme poverty for the first time in about half a century, and the continent has carved out a greater voice in global institutions, Jaime de Melo, *et al.,* (2014).

The African integration arrangements was divided into two broad groups. Those that fit into the Lagos Plan of Action (LPA) adopted in April 1980, and those that were either in existence or came about outside the LPA which currently are collected by the Arab Maghreb Union (AMU/UMA), Economic Community of West African States (ECOWAS), East African Community, Intergovernmental Authority on Development (IGAD), Southern African Development Community (SADC), Common Market for Eastern and Southern Africa (COMESA), Economic Community of Central African States (ECCAS) and Community of Sahel-Saharan States (CENSAD) by encouraging Partnership. International governance fosters Diplomacy & International engagements; Regional & Global relations and Wealth creation values that shall continue to achieving the economic development of the said states, (UN report (2009).

The East Africa Community (EAC) has within a relatively short time since its establishment realized tremendous progress in regional cooperation and development, which is also supporting the economic development. In real economic terms, the region's combined Gross Domestic Product has risen to $ 75 billion, from 20 billion in 1999. Following the enlargement of the EAC in 2007, the region' combined population grew up combination of 130 million of people from Kenya, Uganda, Tanzania, Rwanda and Burundi, (Eric, 2013).

The Kenya and Tanzania Partnership under the regional economic integration and partnership was the oldest and operative in many areas by emphasizing on their economic development (Frederick. 2013). In 2014, Tanzania became the largest partner export destination of Kenyan goods within East Africa. Kenya's total exports to Tanzania in 2011 were valued at 488 million U.S. dollars as compared to 390 million dollars in 2010.

For many years, Uganda was the largest export destination for Kenyan goods. However, due to the lifting of trade restrictions within the EAC, Tanzania has become a major export destination, outstanding Uganda in 2014. In 2013, Kenya exported goods worth kes. 67 billion (Eur. 632 million) to Uganda. This made Uganda the second largest export destination

for Kenyan goods after the European Union; Uganda exported goods worth Kes. 15 billion (Eur. 144 million) to Kenya. Bilateral trade was worth Kes. 214.3 billion (Eur. 776 million) making Uganda the 7th largest trade partner in Kenya, Many Kenyan firms have operations in Uganda some Kenya's 7th largest trade partner; Many Kenyan firms have operations in Uganda, some of which are Kenya Commercial Bank, Equity Bank, and Nakumatt. As of 2014, Kenya is the largest investor in the East African Community (EAC), (Ssekika, 2014).

At national perspective, Rwanda has over the years been comparatively successful in supporting the national leadership, ministries and other state agencies to promote Rwanda's international interests, to project a positive image of the country based on its size and location mean that stronger integration within regional economies which was vital for further growth and this was reaping the benefits from the East African Community regional integration by having joined the block in 2007, Which is translating in improved economic, political and social prospects. Rwanda has also benefited from EAC stronger market and challenges have been addressed together as a region. Rwanda has been better in the last seven years as it has been able to benefit in several areas, (UNDP, 2011).

Through partnership, regional & global relations and wealth creation strategies, Rwanda gained a lot on projects of the NCP, including the construction of the standard gauge railway, regional power trade, the strengthening of a single customs territory and collaboration of infrastructure technology including regional mobile financial services, one single tourism visa, regional tourism agenda, African Growth, and Opportunity Act (AGOA), Imani development policy, Cross-border trade (CBT), Non-tariff barriers (NTB), SWG on trade, industry and investment, Common External Trade Policy (CETP), and the implementation of the one area network, (Berger, 2011).

Rwanda is focusing on second-generation economic reforms of export diversification, structural transformation, regional integration and financial sector as main elements of partnership, regional & global relations and wealth creation strategies which are contributing to the acceleration of socio-economic development and boost incomes of the poorest so that Rwandans can advance in their journey to prosperity, (Minaffet. 2006).

Rwanda at Work shows that the country has maintained 6.9% of her economic growth rate and macroeconomic stability for the first three-quarters of 2015 and projects a growth rate of 6.8% in 2016 (WB. 2015). By maintaining the partnerships, Regional and global and wealth creation strategies through efficient of development cooperation such as foreign direct investment and tourism promotion, acquisition and transfer of knowledge and technology, equitable world trade and regional integration, Intra-Africa cooperation and United Nations multilateral system; Rwanda should achieve its goals of medium income by increasing its economic development, (Ibid, 2015).

Since 2006, Rwanda harmonized its foreign policy by adopting different strategies such as Partnership, Regional, global relations and Wealth creation strategies with the rest of the world. The country has set out its aim to become a middle-income country by 2020 and has encouraged the government to use extra efforts that later translated in Rwanda being ranked by

several International bodies. The country was celebrated for its green investment, Peace and Security component, clean and doing business; and that is why Rwanda should continue to maintain the mutual cooperation with Africa and the world as whole, (Minaffet,2006).

A number of studies including one by Arne *et al.,* (2004), demonstrated that Rwanda's foreign policy strategies including strengthening partnership, Regional & global relations and wealth creation strategy, do not have a lot of influence on the growth of national economic development even though, imports have risen sharply since 2004, largely as result of the cumulative costs of importing different products such as fuel and energy.

Based on studies done in the past by different researchers as well as reports released by the Rwandan Government about what Foreign Policy strategies should continue to improve the contribution on economic development plan; the researcher believes that there is still a critical gap at demonstrating the contribution of Rwanda's Foreign policy strategies on economic development. Sticking at this exemplified gap, the researcher decided to carry out a study, which titled "Analysis of the contribution of Foreign Policy strategies on Economic Development in Rwanda". The study assist the Rwandan community in particular and the global community in general to understand the level of the contribution foreign policy to national economic development and bring to light the reliable findings on the assumption.

II. LITERATURE REVIEWS

This study is built on the underpinning theories and models, including the Partnership strategies theory by Ronald, (2000); The Theory and Practice of Global and Regional governance cooperation strategy: Accommodating American Exceptionalism and European Pluralism by Richard, (2005) and A Wealth Creation Approach model to Economic Development by Mallory, (2014)

2.1 Theoretical and empirical framework
2.1.1 Theoretical Framework

Richard, (2005) and A Wealth Creation Approach model build this study on the underpinning theories and models, including the Partnership strategies theory by Ronald, (2000); The Theory and Practice of Global and Regional governance cooperation strategy: Accommodating American Exceptionalism and European Pluralism to Economic Development by Mallory, (2014).

2.1.1.1 Partnership strategies theory by Ronald W. Mc Quaid (2000),

The partnerships theory developed by Mc Quaid (2000), with the purpose of promote cooperation between Industrialized Countries or developed Sphere and developing countries or regeneration that should increase their National economic development. There are a number of assumptions underlying design the partnership component.

Firstly, the potential for synergy of some form, so 'the sum is greater than the parts'. Secondly, the partnership involves both development and delivery of a strategy or a set of projects or operations; although each actor may not be equally involved in all stages. Thirdly, in public-private partnerships the public sector is not pursuing purely commercial goals. So a criteria of partnership is the presence of social partnership (so excluding purely commercial transactions)

Rornald W. Mc Quaid, explain more that Partnership involves co-operation, i.e. "to work or act together" and in a public policy can be defined as co-operation between people, organizations or Countries in the public or private sector for mutual benefit (Holland, 1984). Sets out a similar general definition of 'private-public partnership' as "any action which relies on the agreement of actors in the public and private sectors and which also contributes in some way to improving the urban economy and the quality of life". Although the author argues that, this has limited conceptual value. Partnerships approaches have received widespread support from across the political spectrum, including policy makers, officials and local communities.

2.2.1.1 India's Partnerships Strategy using Analytic Hierarchy Process model

A strategic partnership is a long-term interaction between two or more countries based on political, economic, social and historical factors. Such a partnership manifests itself in a variety of relationships.

India has signed "strategic partnerships" with more than 30 countries. Are these countries equally important for India? Or do they have their own hierarchy? For instance, India has strategic partnerships with the United States, Russia, China, Japan, UK, France and others. It is obvious that not all strategic partnerships are equally important. Some have a dominant political element, while others have a prominent economic dimension. In some cases, the security dimension may be the most important.
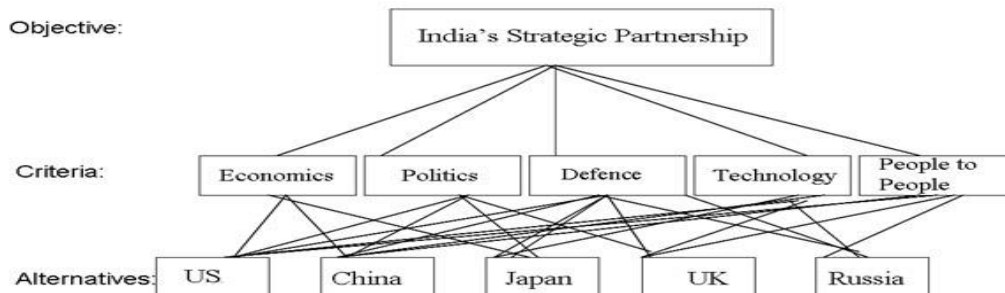

Figure2. 1   A hierarchy model for the selection of India's strategic partnership, Arvind et al. (2011)

Arvind et al. (2011) Gupta Analytic Hierarchy Process (AHP) is one of the multi-criteria decision-making methods based on relative priorities assigned to each criterion in achieving the stated objective. This technique exploits the powerful idea of evaluation and selection of options based on a consistency test, goes with the subjective judgment of experts. Furthermore, the actual process carried out the analysis, which helped to the decision maker to prioritize the parameters in a manner that otherwise, might not be possible.

This model illustrates how government should determine in advance, if a relationship is one that will result in competitive advantage and is worthy of the time and resources needed to fully develop into a partnership. Further, all partnerships are not the same. How does government or management knows what type of partnership would provide the best pay-off? These questions may be answered by using The Partnership Model.
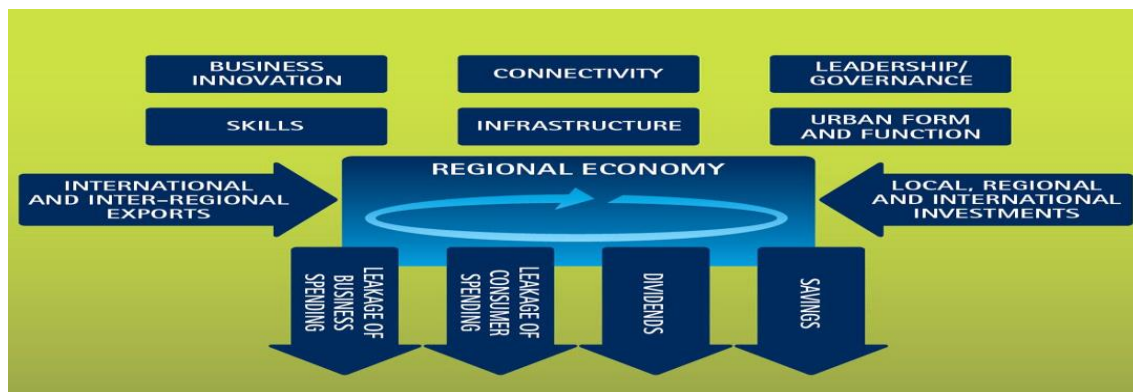
2.2.3. The Theory and Practice of Global and Regional governance cooperation strategy: Accommodating American Exceptionalism and European Pluralism by Richard, (2005),

According to Richard, (2005), Theorising about global governance cooperation strategy that should not be confused with international relations has only become fashionable in the post-Cold War era, which he separated also to the 'era of globalisation. Notwithstanding coordination problems that have arisen in a number of major policy domains in the European Union in the early years of the 21st century, the European Union is still the most institutionalised regional policy community exhibiting a complex system of governance and cooperation beyond the territorial state (Rosamond, 2000); But research on multi-level regional governance cooperation strategy in western countries is often detached from the wider analytical questions of an extra-European nature in the contemporary theory and practice of global and regional governance and cooperation strategy.

Richard Higgott added that the Globalisation and Regional strategy theories have exacerbated the need for new understandings (both normative and analytical) of governance and cooperation strategy to cope with the challenges It brings up; The key problem generated by globalisation is the disjuncture that exists between market structures and governance, cooperation structures which has noted 'interdependence and the lack of governance, when combined, make a deadly mixture'.

Regional strategy model by SGS, 2010

Figure2. 2   Expanded "Global and Regional" Model by Richard, (2005)

The Western Melbourne Regional Development Committee and Lead West released a report by Shadow Government Statistics (SGS) Economics and Planning. It is important to develop an environment/culture that will foster innovation.

A framework to support innovation includes integrating it into the business objectives by: Taking a holistic approach to innovation; establishing strong channels of communication and Fostering a culture of innovation. According to Dodgson *et al.* (2008), global surveys show that innovation occurs where leaders encourage, protect it executives actively manage and drive innovation where talk about innovation but do nothing about it, innovation is inhibited for an innovation strategy to be effective, it needs to be integrated into senior leaders' agendas. Using performance metrics and targets for innovation helps senior management integrate innovation into their normal pattern of business and creates an environment where staff are comfortable with innovating and better use of existing talents is made.

Barsh *et al.* (2008), established a strong channels of communication networks that should determine the innovation effectiveness. Effective networks allow people with different kinds of knowledge and ways of tackling problems to cross-fertilize ideas; New ideas breed more new ideas, so networks can generate a cycle of innovation where developing the innovation strategy, think about how can create conditions that allow innovation to become part of daily discussions.

2.1.1.4 Expanded "Global and Regional" Model by Peter bock *et al* (2005)

Source: Expanded "Global and Regional" Model by Peter *et al* (2005)
Figure 2. 3   Expanded "Global and Regional" Model by Peter bock *et al* (2005)

This model help in advancing the Globalization initiative by bringing in the following tools, framework and insight such as: Globalization assessment tool for the organization to benchmark with others global organizations; Organizational Deoxyribo Nucleic Acid assessment tool and Assess Global Leadership Quotient for the leadership team.

Peter bock *et al* (2005), explanation on the model demonstrated that there is no right or wrong model to adopt or champion within a country's organization. Essentially both models describe the same overall process when Globalization is managed both the internationally and regionally, the global development policies and strategies such as Sustainable Development Goals and the Regional economic integration through Multinational and Transnational corporate, Trade Facilitation, Economic integration and Free movement can produce a huge support in terms of Bilateral trade agreement, Small, medium cross border trade agreement, trade in services and Investment; Economic development, technical assistance, financial support, budget support and Customization, movement of capital, movement of goods and services, movement of people and right to the residence which should support the national economic development in particular, the Regional economic integration process and the world affairs in general.

Source: Expanded "Global and Regional" Model by Peter *et al* (2005)
Figure 2. 3   Expanded "Global and Regional" Model by Peter bock *et al* (2005)

Processes Facilitating Assessment of where your organization is compared to others; Consensus building in the top management team concerning Globalization strategy, creating their understanding and ownership for execution; Helping organization to align strategy, structure, culture and leadership for seamless global execution and Facilitation of the change process in your organization regarding Globalization. However, it is useful to be aware of both models, especially if the researcher has the misfortune of having to investigate into Documentation relating to regional and global relationship. The commonality in what these process models are seeking to describe under the headings of Globalization, Internationalization, and Localization is to facilitate national economic development.

2.2.4   A Wealth Creation Approach model to Economic Development Mallory Lynn R. (2014)

Mallory (2014) demonstrates that the Wealth creation is a relatively new but growing approach to economic and community development. In the wealth creation theory, Mallory Lynn R. classified the wealth creation in eight forms of capital stocks: Individual, Intellectual, Natural, Built, Financial, Political, Social, and Cultural, which can be supported by political environment that is interesting on the foreign direct

investment and the growing of economic development of nation. Wealth Works, which used the principals of developing countries, wealth creation generates a systems-thinking approach to economic development that has to be implemented in regions across the country.

Richard (2000). Illustrates the linkages between economic production and the natural world requires to formulate a concept which is broader and richer than 'land'. That classical notion has

heavy agricultural connotations and tends to focus our attention on geographic location, surface area, differential soil fertility, Ecological economists have recently proposed that recognize explicitly the essential role of 'natural capital' in commodity production.
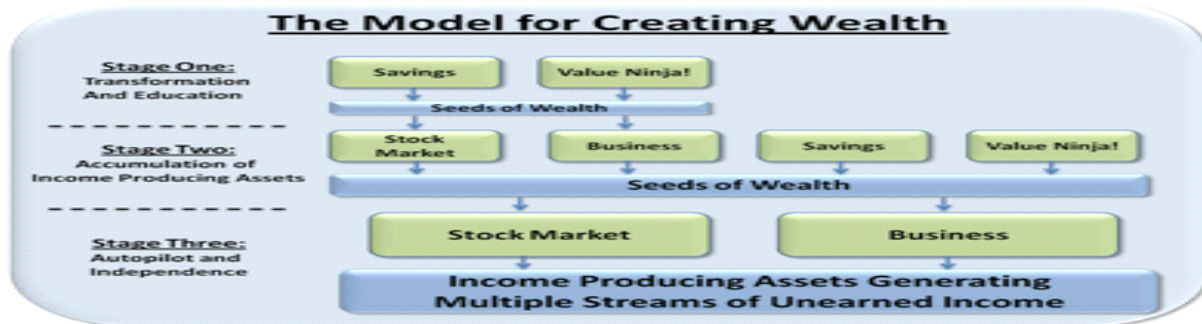
The Model for creating Wealth:

Figure 2.4 *The Model for Creating Wealth by* Wealth-Building *101 (2010)*

Once have a mindset of saving money instead of spending money, we start the accumulation process because it is the money that we want to start to put to work. Like a garden, the money save are seeds**,** ready to be sown, planted, tended, and then harvested. Whether it is a simple savings account, a brokerage cash account (more on that later), you need to have an account established that is the shelter for the seeds. The United Nations General Assembly recommended an Education for Sustainable Development that clearly recognizes the increasing need to integrate sustainable development issues and principles into education and learning. The World Conference on Education for Sustainable Development held in 2009 at Bonn, Germany recalled the contextual elements that should lead to the development of a new vision of education.

Establish the new stream of income, it can contribute more and more Seeds of wealth into the statement of work account used to build up the income producing assets and accelerate the magic of Compound interest such as enabling more and more of the businesses such as

Sole Proprietorship one of individual or married couple in business alone. Sole proprietorships are the most common form of business structure. This type of business is simple to form and operate, and may enjoy greater flexibility of management, fewer legal controls, and fewer taxes. However, the business owner is personally liable for all debts incurred by the business.

Some example learned lately that the market owns people by making money in the market whether it goes up, or down. Most people take a passive approach to the Market. They do not 'own' their decisions. They do not understand the basics, and they are intimidated away from it. Someone told them they should invest so they do, but they take the simple but destructive route of not being engaged in their decisions. The next one is

related to that: 2) Buy / Hold. They place an order and forget, no matter what the cycle, economy, or business situation of the particular company they are invested in.

2.1.2 Review of Empirical Literature

Different Knowledge and results derived from investigation, observation, experimentation, or experience done by different researches on similar work with foreign policy strategies (partnership, regional & global and wealth creation strategies) as opposed to theoretical knowledge based on logical or mathematical assumptions were based on what drove the researcher to provide his addition.

2.4.1 The contribution of partnership strategy on economic development in Rwanda

Mario, *et al*. (2013), demonstrates that partnership strategy as agreements and conventions, Lomé IV Convention and its precursors included were improved the bilateral and multilateral partnership performance of continent such as Africa, Caribbean and Pacific group of countries, with the ultimate aim of promoting their economic development.

According to Global Partnership for Effective Development (2013), Rwanda has all five of the mechanisms for mutual accountability in place in the Global Partnership Monitoring Framework such as Aid Policy, Country-level Targets, Assessment of progress towards targets, involvement of nonexecutive stakeholders, and making the results public. The system of mutual accountability between the Government of Rwanda and the Development Partners has been a factor in the efficient use of resources (Abbott *et al* 2013).
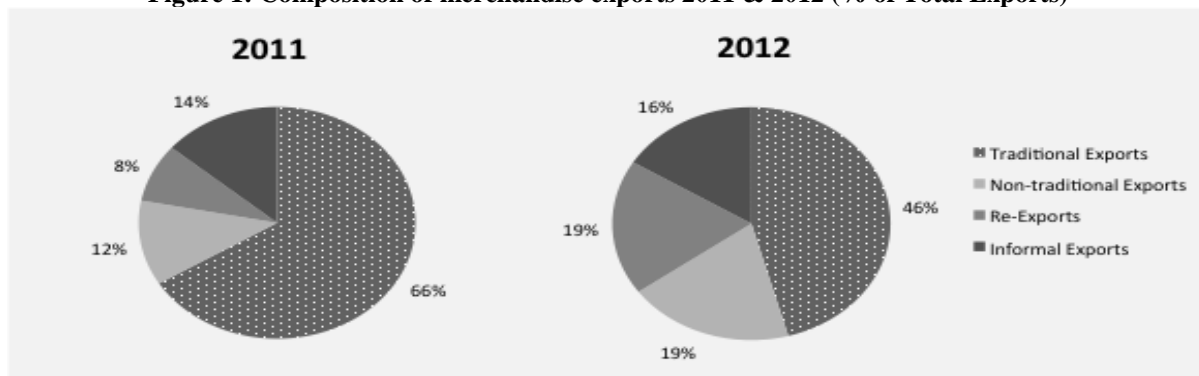
Table 3: Exports by grouping 2011 & 2012 (Us$ Fob)

	2011	2012	Variance
Tourism (Estimate for Dec 2012)	250,700,000	286,500,000	14%
Traditional Merchandise (coffee, tea, minerals)	297,310,924	262,949,397	-12%
Non-traditional Exports	53,098,975	111,130,451	109%
Re-Exports	36,502,943	107,987,150	196%
Informal Exports	61,868,853	92,979,044	50%
TOTAL	**699,481,695**	**861,546,041**	**23%**

Source: BNR Trade Statistics 2011 & 2012

Rwanda's impressive export growth in 2012 came largely from exports outside of Rwanda's traditional export sectors. This has also led to a shift in the composition of Rwanda's export basket in 2012 compared to 2011, with the emergence of a more diversified export base and growth driven by Rwanda is non-traditional and re-export sectors. A drop in traditional merchandise exports combined with rapid growth in non-traditional exports, re-exports and informal trade has resulted in a reduction of traditional export share of total exports from 66% in 2011 to 46% in 2012.

Figure 1: Composition of merchandise exports 2011 & 2012 (% of Total Exports)

Traditional Exports refer to Merchandise exports only (Coffee, Tea, Minerals)
Source BNR Trade Statistics (2011 and 2012)

In Rwanda's non-traditional export sectors, a number of products have emerged this year with substantially higher exports than in 2011. Rwanda's main non-traditional exports include manufactured goods, horticultural goods and other items such as hides and skins, livestock and other various goods. Rwanda's manufacturing sector has been performing particularly well, with exports up 142% in 2012 over 2011. Manufacturing exports accounted for 46% of Rwanda's non-traditional exports until the end of September 2012, up from 40% in 2011.

Products in this sector include: products of the milling industry up 136% with total exports of US$19.8 million (see box 1); beverage exports up 116% with US$13 million in exports; iron and steel exports up 231% with US$ 5.6 million worth of exports; plastics up 263% with US$3.3 million worth of exports;

cement and other construction material up 189% with US$3 million in exports; soaps and washing preparation up 293% with exports of US$0.6 million and; animal and vegetable fats up 1022% at US$0.54 million. Rwanda's largest manufacturing sector to see a fall in exports was footwear where exports saw a 25% drop from US$1.6 million to US$1.2 million.

Nkusi (2015) was assessed the partnerships in trade, taxation, Foreign Direct Investment, Public, private partnership which has been supported by United Nations of development Programme jointly with Rwanda Ministry of finance and planning and its external finance unit in developing a new Donor performance assessment framework, which will define some baseline indicators and targets for cooperation in foreign direct investment, Current Standard "purchasing power parity" and

taxation and climate change between the Government of Rwanda and development partners.

Minecofin, (2012), in their work on remittances and engaging with the philanthropic sector among other initiatives to diversify its financial resources and more gradually move away from aid dependency. At national level the Economic Development and Poverty Reduction Strategy-2 sector and thematic working groups and at a local level the Joint Action Development Forums, coordinate the implementation of Economic Development and Poverty Reduction Strategy 2 and ensure that Development assistance is used in line with its priority es International Non-Governmental Organisation are required to have approval from the Joint action development forum before they work in a district; those working at national level must have approval from the relevant line ministry.

Table 10: Compliance costs faced by business in Rwanda

Compliance costs	Frw (Million)	% of total Compliance costs
Initial registrations	728	1.3%
Annual registrations	1,952	3.6%
Tax regulation compliance	21,233	38.8%
Labour regulation compliance	8,510	15.5%
Export requirements compliance	1,608	2.9%
Import requirements compliance	18,390	33.6%
Doing business with government (tendering)	2,334	4.3%
Total	54,754	100%
Rwandan GDP	1,746,700	
Compliance costs as a percentage of Rwandan GDP		3.1%

Source.2.1: *Rwanda Private Sector Development Strategy 2013-18* by MINICOM, 2013

Based on the support explanation from Minicom (2013), the International markets are extremely competitive and many markets can have strict standards on products imported into their territory. Technical regulations extend from the level of toxins in food, to the safety of household electrical appliances. The safety of imports is of paramount concern to agencies concerned for the health of their citizens. Standards are the main way of signalling safety and quality, and ensuring that levels of consistency can be trusted; Rwandan firms therefore must meet the standards required in order to allow their goods to reach key foreign markets, (ibid 2013).

The particular area with heavy standards implications for Rwandan firms is in the exportation of food products to the European Union; the challenges faced are in quality control of processed food products and packaging, (UNCTAD, 2008). South Korea is classified as a non-traditional DP as they have been giving DA for only a relatively short period, but they became an OECD-DAC country in 2006. They have been delivering DA in Rwanda since 2002 according to the OECD database and participate in the DP coordinating mechanisms, including participating in mutual accountability assessments. All their assistance is given as grants and the amount of DA they give has increased from US$0.08m in 2002 to 16.5m in 2014.

The apparent decline in 2014 is probably due to incomplete data collection. However, the funding provided by one of the top philanthropic funders to Rwanda, the Gates Foundation, fell from US$13.09 in 2009 to US$4.82 in 2014 (OECD). The Gates Foundation is the only one of Rwanda's philanthropic DPs that reports funding to the OECD, and they reported giving a total of US$ 47.92m over the period 2009-2014.

As for RDB *et al* (2014), demonstrated different investors from around 50 countries investing in Rwanda (FPI inflows are dominated by Foreign Direct Investment (60%) and are characterised by high-retained earnings. FPI increased from US$145.9 million in 2008 to US$427.7 in 2013 (Table 5). In the five years to 2013 its contribution to Gross Fixed Capital Formation grew by an average of 22.3 per cent a year and to Gross domestic product by an average of 12.8 per cent. Flows remain vulnerable to both external and internal economic factors, as is evidenced by the decline in 2010 due to the global economic crisis.

Table 5: Foreign Private Investment in Flows by Category 2008-13 in US$ Millions

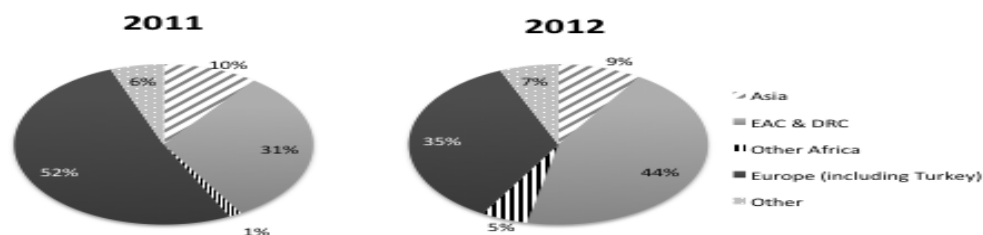| Years	2008	2009	2010	2011	2012	2013
FDI	66.9	103.3	250.5	119.1	255.0	257.6
Portfolios	1.1	0.7	1.5	87.3	1.0	1.7
Other Investment - Debt from Non-affiliates	77.9	35.7	91.0	50.2	153.3	168.4
Total	145.9	139.7	343.1	356.6	409.3	427.7

Source: Rwanda Development Board et al 2012, 2014

RDB (2014), shows how the collected stock of foreign private capital increased threefold between 2008 and 2013, from US$315.7 million to US$1,404.1 million. Foreign direct investment made up 59.7 per cent, other investments 34 per cent and portfolio investments 6.3 per cent. The main sectors of investment were Informational Communication Technology (40%), finance, insurance (20.4%) and manufacturing (14.6%).

The East African Community and Democratic Republic of Congo have emerged as Rwanda's largest export destinations in 2012. Exports to the EAC and DRC grew by 81% in 2012 with their share of exports increasing from 31% in 2011 to 44% in 2012. Export growth to the region was driven by growth in exports from Rwanda's non-traditional export sector and re-exports, an issue discussed in more detail below. Exports to Europe saw a year on year drop of 13% as a result of depressed exports from Rwanda's traditional export sectors.

Figure 3: Destination of Rwandan Formal Merchandise Exports and Re-Exports 2011 & 2012 (%)

Source: RRA Trade Statistics 2011 and 2012

It is arguable that 2012 was the year when Rwanda made the shift from being a country reliant on a few commodity exports to few destinations, to a country with a diversified export base supplying both regional and international markets. While there is still good potential for growth in Rwanda's traditional export sectors, particularly the mineral sector, Rwanda is no longer reliant on a few commodities to drive export growth. Rwanda's impressive merchandise export growth in 2012 was driven exclusively by non-traditional exports and re-exports. The emergence of a non-traditional export sector and a healthy re-export sector will also see regional neighbours and other African countries become increasingly important export destinations (see figure 4). In 2012, 64% of Rwanda's non-traditional exports were exported to the EAC and DRC and with a further 16% to other African countries. For re-exports 77% of exports were to the EAC and DRC with 6% to other African countries.

Figure 4: Destination of Exports by Export type (Rwf Billion)

Source: RRA Trade Statistics 2011 and 2012
National Bank of Rwanda (2015), illustrated that the government has started borrowing on the international and domestic money markets to fund investment. It issued its first Eurobond in 2013 and raised US$400.00 million. Its interest rate stood at 6.2 per cent.

In the fiscal year 2014/15 the Eurobonds accounted for 21.6 per cent of total public external debt, the rest being mainly concessional loans from multilateral traditional development partners and non-traditional bilateral partners, and they accounted for 46.3 per cent of the debt serviced in that fiscal year, (ibid 2015).

As for UNDP (2008), The Government of Rwanda was determined her partnership strategy which assisted on the increasing of 23% of her Gross Domestic Product; This amounted as an addition of $55 per capita, compared with an average that use to have in Sub-Saharan Africa of approximately $25 per capita in 2008; and assistance accounts for more than half of the Government of Rwanda's annual budgets and aid' shaped by principles defined in Millennium Development Goals (MDGs), Sustainable Development Goals (SDGs), the Monterrey Consensus, the Rome Declaration on Harmonization and the Paris Declaration on Aid Effectiveness, Ownership, Harmonisation, Alignment, Results and Mutual Accountability.

2.4.2 The contribution of regional and global relations strategy on economic development in Rwanda.

The researcher thinks that the underlying elite bargain is robust and more inclusive than many believe, maintaining it against the natural tendencies that associate with 'limited access orders' produces casualties of various kinds, Frederick, et al. (2013) and Khan. (2012), the benefits of regional and global relation economic integration strategy should depend on the level of economic integration and the deeper the integration, the greater the benefits to the participating of the Partner States. BNR (2012), the increase in imports in 2012 was driven by increased imports of capital goods, up 21.6% over 2011, and to lesser extent intermediary goods up 13.5%. Imports of consumer goods are increased by 8.7% over 2011 while imports of energy & lubricants remained constant with just 0.43%, this largely due to a drop in imports of "*other fuel products"* which feel by 41%.

Table 2: Imports by Type 2011 and 2012 (Cif Us$)

	Jan-Dec 2014
Consumer Goods	656,175,427
Capital Goods	642,245,257

Intermediary Goods	719,999,058	682,
Energy &Lubricants	368,496,152	290,
Informal Imports	19,358,076	21,9
TOTAL	**2,406,273,970**	**2,34**

Source: BNR Trade Statistics, 2015

The East Africa Community was Rwanda's primary source of formal merchandise imports with 29% of imports coming from the East Africa Community and Democratic Republic of Congo region. This is closely followed by Asian countries on 28% of imports. The Middle East accounted for 18% of imports while 17% of imports came from European countries.

Exports from Rwanda's traditional merchandise export sectors dropped by 12%, from US$322.7million in 2014 to US$283.5million in 2015 (see table 3). Coffee's exports increased by 4% in 2015 over the same period in 2014 from US$59.6 million exported in 2014 to US$62 million in 2015. Even though coffee has seen an increase during 2015 the prices dropped by 12% in 2015, the decline has been attributed to a raise in supply of coffee on the world market, especially from Brazil and Colombia, the major growers. Tea exports in 2015 saw increased by 40% in value. Both tea prices and quantity increased with the average price now up 29% per kg and quantity up 9%. As Rwandan tea competes mainly with kenyan teas where both quality and quantities of output were low this year. Furthermore, Rwandan tea is in high demand in the Middle East and with the removal of embargo on iran and reduced conflicts the market demand for tea increased.

Table 3: Merchandise Exports by Grouping 2015 (Us$ Fob)

	Jan-Dec 2014	Jan-
Traditional Exports	322,798,053	283,
Non-trad. Exports	111,612,906	97,3
Re-Exports	165,351,979	177,
Informal Exports	107,489,548	108,
TOTAL	**707,252,485**	**667,**

Source: BNR Trade Statistics

The non-traditional export sector saw a 13% drop in export value in 2015 decreasing from US$111.6million in 2014 to

US$97.3million in 2015. This was the result of a drop in exports from a number of manufacturing and agro process subsectors including: Beverage, spirits and vinegar, Iron and steel, woods and article of woods and essential oils & reineoids , down 63%, 87% , 30% and 23% respectively.

The sub-sectors from manufacturing and agro-processing sector that performed well in 2015 include: Pyrethrum up 36% over 2014; Textiles and footwear up 20% and 47% respectively; salt and plastering materials up 29% with US$6.9 million worth of exports; Edible vegetables roots and tubers up 115%; at US$6.8 million. Edible fruits and nuts up 60% accounting US$188.7million worth of exports.

Figure 1: Composition of Rwanda's Non-Traditional formal direct Exports 2014 & 2015 (%)

Source: BNR Trade Statistics 2014 & 2015

Horticulture and agricultural products made a growth of 0.5% where it increased by 67% from US$4.9 million in 2014 to US$8.3 in 2015 as a result of an increase in edible vegetables up 115%and edible fruits and nuts up 60%. Since 2014, horticulture exports have performed well following the removal of the imposition of visa charges to business people by the DRC. Horticulture exports are mainly derived from the accumulation of many small traders to the regional market and small volumes are also exported formally to the European market by some firms.

Livestock and hides and skins declined by 0.7% of total growth as a result of lack of production processes locally, since they imports most of the finished producted from Kenya, plus the establishment of the new tannery has taken some of the production of hides and skins for value addition. Even though most of the sectors has seen a decline in total growth, Re-exports has seen a total growth of 1.8% because of export of petroleum products & other re-exports up 38% and 24% respectively.

Figure 2: Sector Contribution to Total Growth in 2015
Source: BNR Trade Statistics, 2015

Rwanda's main export destination was Asia Oceania accounting for 35% of total trade. This is followed by the EAC and Europe accounting for 22% and 18% respectively, the Middle East comes next with 163of total trade. Exports to the EAC saw an increase from 20% in 2014 to 28% in 2015 (figure3) due to an increase of exports of prepared foodstuffs and vegetable products up 633% and 46% respectively.

Exports to Democratic Republic of Congo increased from 13% in 2014 to 17% in 2015 due to an increase in export of prepared foodstuffs and machinery appliances up 283% and 866% respectively. Exports to Europe decreased from 39% in 2014 to 25% in 2015 because of drop in mineral and non-traditional exports by 29% and 13%. Asian market share of exports decreased slightly from 16% to 15% of exports because of a decrease exports of minerals and vegetable products down 29% and 49%. Export to the Middle East grew in 2015 from 3% to 8% due to an increase of exports of natural or cultured pearls accounting 86% of total exports to the Middle East market. Other Africa remained constant, while the Americas dropped just by 1%.

Figure 3: Destination of Rwandan Formal Merchandise Exports 2014 & 2015 (%)

Source: RRA Trade Statistics 2014&2015
Annex 3: Exports to the EAC and DRC (US$)

Country	Trade type	2011	2012	2013	2014	2015
Burundi	Formal	8,027,724	12,568,421	12,459,842	12,062,942	6,404,190
	Informal	7,630,568	10,735,289	9,282,614	9,586,021	7,097,933
	Sub-Total	*12,648,281*	23,303,710	21,742,456	21,648,963	13,502,123
DRC	Formal	57,104,840	98,949,887	102,427,213	60,806,836	70,326,924
	Informal	42,871,534	72,633,957	90,380,054	89,537,310	82,179,695
	Sub-Total	67,845,267	171,583,844	192,807,267	150,344,145	152,506,620
Kenya	Formal	64,267,763	89,602,120	74,354,195	68,733,550	94,465,455
	Informal	-	-			-
	Sub-Total	*57,970,004*	89,602,120	74,354,195	68,733,550	94,465,455
Tanzania	Formal	6,855,824	8,911,469	17,914,068	2,366,671	1,771,029
	Informal	84,645	135,677	106,690	63,873	52,868
	Sub-Total	*1,106,396*	9,047,146	18,020,758	2,430,545	1,823,897
Uganda	Formal	1,451,275	4,058,939	5,604,584	10,332,279	9,428,099
	Informal	3,800,819	9,474,121	10,401,653	11,310,978	18,982,677
	Sub-Total	*8,699,958*	13,533,059	16,006,237	21,643,257	28,410,776
Total Exports	Formal	137,707,426	214,090,836	212,759,902	154,302,279	182,395,697
	Informal	54,387,566	92,979,044	110,171,011	110,498,181	108,313,174
	Total	192,094,992	307,069,880	322,930,913	264,800,460	290,708,871
	% Growth (total)	40%	59%	5%	-18%	10%

Source: BNR Trade Statistics 2011 to 2015

As for Ombeni, (2010), the measures taken to ease border crossing for East Africans include issuance of inter-state passes which commenced on 2003; a single immigration Departure/Entry card which has been adopted by the partner states; harmonization of the procedures of work permits and the classification process which has been finalized; and the studies on the harmonization of Labour Laws and Employment Policies which were identified as the main tools which increased a lot on Rwanda economic development as element of partnership. In addition, economic co-operation and development have been prioritized in the ongoing regional programme in the EAC.

Rwanda met most of the Millennium Development Goals (MDGs) by the end of 2015. Strong economic growth was accompanied by substantial improvements in living standards,

with a two-thirds drop in child mortality and near-universal primary school enrolment. A strong focus on homegrown policies and initiatives has contributed to significant improvement in access to services and human development indicators. The poverty rate dropped from 44% in 2011 to 39% in

2014, while inequality measured by the Gini coefficient fell from 0.49 to 0.45.

Investor nationality: Policy challenges 2015

Figure2. 7   GDP per capita comparison
Source: Minicom report. 2015

Rwanda's exports to the world affairs such as United States of America, German, United Kingdom and other that have been growing steadily over the past 10 years, with an annual average growth rate of 21% and he total trade of Rwanda at the global affairs amounted to $60 million in 2015, with exports to the USA valued at around $46 million, while imports were only $14m down from $21m in 2014, (Minicom. 2015).

2.4.3 The contribution of wealth creation strategy on economic Development in Rwanda

According to The Mifotra (2007), in 2003, the real Gross Domestic Product growth rate was 0.9% compared to 9.4% for 2002 and estimated at 4% for 2004. After exceeding 10% before 2000, the investment rate by providing the wealth creation started declining until it was less than 10% in the same period of before

2000. One of the explanations for this situation is the persistence of negative levels of domestic savings and the reduction of the flow of foreign aid, considering that investment is greatly dependent on foreign aid.

For Minicom (2012), Rwanda's total merchandise trade was US$2.7 billion, an increase of 14.7% over 2011 (see table 1). Merchandise exports from both formal and informal trade accounted for US$575 million and imports US$ 2.7 billion up 28.1% and 11.4% respectively over 2011. Rwanda ran a merchandise trade deficit of US$1.56 billion in 2012, an increase of 6.5% over 2011. Including preliminary data for tourism, Rwanda's total exports in 2012 were just under US$ 861 million, an increase of 23% over 2011.

Table 1: Rwandan Trade Performance 2011 and 2012 (Us$)

	2011	2012	Variance
Formal Merchandise Exports (FOB US$)	386,912,843	482,066,998	24.59%
Informal Exports	61,868,853	92,979,044	50.28%
Total Merchandise Exports	448,781,695	575,046,041	28.13%
Formal Merchandise Imports (CIF US$)	1,890,581,271	2,111,731,894	11.70%
Informal Imports	24,355,922	21,486,595	-11.78%
Total Merchandise Imports	1,914,937,192	2,133,218,489	11.40%
Total Merchandise Trade	2,363,718,888	2,711,822,058	14.73%
Merchandise Trade Balance	(1,466,155,497)	(1,561,729,975)	6.52%

| Tourism Receipts | 250,700,000 | 283,600,000 | 13.12% |

Source: RDB Tourism Stats 2012

In 2012, 31% of Rwanda's formal merchandise trade (imports and exports) was with regional neighbors (EAC and DRC). Trade with Asian countries is also significant, with 27% of Rwanda's trade taking place with the region. Trade with Europe and the Middle East account for 17% each for both regions.

Minicom, (2015), demonstrated how Rwanda has evolved through a period of economic prosperity and macroeconomic stability in the past two decades; Real Gross Domestic Product grew by an average of 8% annually during the period 2000 to 2013, which is among the highest average growth rates in East Africa. Strong economic growth has resulted in an increase in per capita income from USD225 in 2000 to USD693 in 2013, (AfDB Group, 2014). Inflation rates remain in single digits due to the implementation of robust macroeconomic policies and the easing of global food and fuel prices. Fiscal deficits after grants have also been contained at less than 5%. High import demand particularly for intermediate and capital goods continues to outstrip the narrow but expanding export base leading to trade deficits, (ibid. 2014).

Table 1: Rwandan Merchandise Trade Performance Jan-Dec 2014 and 2015 (US$)

	Jan-Dec 2014	Jan-Dec 2015	Variance
Formal Merchandise Exports (FOB US$)	599,762,937	558,749,806	-6.8%
Informal Exports	107,489,548	107,815,122	0.3%
Total Merchandise Exports	**707,252,485**	**666,564,929**	**-5.8%**
Formal Merchandise Imports (CIF US$)	2,386,915,894	2,319,998,771	-2.8%
Informal Imports	19,358,076	21,950,956	13.4%
Total Merchandise Imports	**2,406,273,970**	**2,341,949,727**	**-2.7%**
Total Merchandise Trade	**3,113,526,455**	**3,008,514,656**	**-3.4%**
Merchandise Trade Balance	**-1,699,021,486**	**-1,675,384,798**	**-1%**

Source: Rwanda Revenue Authority trade data, 2015

The slight decrease in imports (down 3%) in 2015 over 2014 was a result of a decrease of energy and lubricants imports, which decreased by 21% over 2014. Imports of consumer and capital goods increased by 6% and 2% respectively as a result of domestic articles and trailer imports. Intermediary goods imports also saw a decrease of 5% as a result of industrial products imports. Informal cross border imports increased by 13% over 2014.

The informal cross-border trade accounts for a considerable amount of Rwanda's regional trade. BNR's informal cross-border trade survey indicates that Rwanda exported US$108.3million informally in 2015 while informally importing US$22 million. Unlike the formal sector, where Rwanda runs a trade deficit, Rwanda runs an informal trade surplus of US$86.3million.

	Burundi	DRC	Tanzania	Uganda	Total
Informal Exports	7,097,933	82,179,695	52,868	18,982,677	108,313,174
Informal Imports	6,822,558	3,076,534	386,435	11,665,428	21,950,956
Balance	*275,375*	*79,103,162*	*-333,567*	*7,317,249*	*86,362,218*

Source: BNR Monthly Informal Trade Statistics 2015

Rwanda's main informal exports in 2015 is the RDC, were products from bovine cattle live amounted US\$ 6.2 million exported primarily to the DRC, followed by Uganda with a value of us\$ 1million(see table 5). Other chemical rubber and plastic products comes in second place amounting us\$2.2 million with major markets in DRC, followed by Burundi and Uganda. Other Informal exports includes maize flour, Irish potatoes and domestic metal products were RDC have the largest value of informal trade.

As for UNCTAD *et al.* (2010), demonstrates how the wealth creation has supported a lot on the value of Rwanda's merchandise exports totalled about \$183 million and that of imports \$697 million, or 7 per cent and 28 per cent of Gross Domestic Product respectively, recording a merchandise deficit of about \$514 million. In relation to global merchandise exports and imports, this represented 0.001 per cent and 0.004 per cent respectively. Services exports in 2007 represented 44 per cent of total exports while services imports represented 28 per cent of total imports, (ibid, 2010).

Table 2. 1: East Africa community comparison table

No	EAC countries	2011	2012	2013	2014	Mean in 4 years
01	Rwanda	7.9	8.8	4.7	7.0	28.4/4=7.1
02	Kenya	6.1	4.6	5.7	5.3	21.7/4=5.4
03	Uganda	9.7	4.4	3.3	4.8	22.2/4=5.6
04	Tanzania	7.9	5.1	7.3	7.0	27.3/4=6.8
05	Burundi	4.2	4.0	4.6	4.7	17.5/4=4.4
06	South Sudan	-4.6	-46.1	13.1	3.4	-37.7/4=-9.4

Source: East Africa community comparison, 2015

With Klaus. *et al.* (2011), Investor friendly climate in Rwanda was characterized by official ranking given to Rwanda according to the effort country is using which affect it as 2nd best global reformer 2012; most competitive place to do business in east Africa countries and 3rd in Africa. As the Klaus. *et al.* (2011), continue mentioning, Rwanda was ranked as a 2nd most reformed country in the world'; 3rd most competitive place to do business in Africa'; 1st Most competitive place to do business in East African Community region; 8th easiest place to start a business; 6hrs to register business; 19th easiest place to pay taxes worldwide.

BNR, (2015), with strengthening and broadening the participation and involvement of Rwanda Foreign policy, the Gross Fixed Capital Formation in Rwanda decreased to 342 Billion RwF in 2015 from 343 Billion in 2014. This Gross Fixed Capital Formation in Rwanda decrease had had an average of 316.69 Billion RwF from 1999 until 2015, reaching an all-time high of 804 Billion RwF in 2010 and a record low of 128 Billion RwF in 1999.

2.2 Models on the best practices
2.2.1 Derivation of Conceptual Framework

A lot of empirical evidence can be found in the literature that foreign policy strategies contributes on economic development by rising different strategies such as Partnership strategy; Regional and global relations strategy and Wealth creation strategy which should support on the implementation to achieve the economic development of a national. The conceptual framework illustrates that foreign policy strategies indeed affect economic development of a country

DEPENDENT   VARIABLE
INDEPENDENT VARIABLE

Moderating Variable

Figure2. 4   Conceptual Framework

The conceptual framework gives an overview of the types of the research variables that play a role in the research. the independent variables which is Foreign Policy Strategies are also referred to as manipulation variables deal with all theories and practices related to Foreign Policy strategies such as partnership, regional, global relations and wealth creation and a Moderating Variable on foreign policy strategies & Economic Development which affect direct the dependent variables component such as GDP per capita and Balance of trade

2.2.2 Regression Model

This model was used several time by Darren et al. (1982) demonstrated how the Economic Development proceeded from the effects of exporter sector performance and was supported by Solow (1957) who added by saying that using the function of aggregate production as a starting point should increase a lot on the measures of the sources of Economic Development.
These models were modified and specified as follow:
$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$
Where:
$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$ without the moderator, and
$Y = \beta_0 + \beta_1 X_1 *Z + \beta_2 X_2 *Z + \beta_3 X_3 *Z + \varepsilon,$ with the moderator
Where:
- Y: Economic Development
- : Partnership strategy
- Regional, Global strategy
- Wealth creation Strategy
- Z : Political environment
- β_0 : coefficient of intercept
- $\beta_1 – \beta_3$: The corresponding coefficients for the respective independent variables for Foreign Policy Strategies
- ε : error term

The above model was helped the Researcher to tests the causal relationship between Gross Domestic Product per capita and Balance of trade as dependent variable independents variables such as:

III. MATERIALS AND METHODS

The ethnicity variable in this study was based on the sample of the population working in Public and Private Institutions with daily activities in foreign policy. The study also had a sample of Single Institutions. The participation in the study was voluntary and anonymous; The research designs of this study was applied Qualitative research paradigm as a systematic subject approach used to describe the Profitability, Capital adequacy, Asset quality, Liquidity and Risk management through specific approach which was a Case study that described in-depth the experience of one or more than one Public and Private Institutions with method of direct observation and interaction on the subject. In the findings it was established that Partnership strategy, Regional and Global relations strategy and Wealth creation strategy can have a significant contribution on Economic Development in Rwanda. Different Data have been obtained from officials of the Public and Private Institutions from 42 from 30 Cooperatives, 29 from MINICOM, 34 from MINICOFIN, 18 from Internationals NGOs, 26 from Rwanda Local NGOs, 21 from Rwanda Civil Society Platform, 16 from Multinational and Transnational Corporate (investors), and 42 from 30 District Mayors which given 214.

In practice different tools have been used to support gears component with the following activities such as Selection of sample techniques, Develop research instruments questionnaires, Collection of data (the research has been used both primary and secondary data), data was Processed (using SPSS software which assisted on process) and analysis, interpretation and recommendations have been determined by the researcher.

3.1 Research approach
3.1.1 Qualitative versus quantitative research approach

Qualitative versus quantitative research approach of 462 from 30 Rwanda Cooperatives, Ministry of Trade, Industry, Ministry of Finance and Planning, Internationals NGOs, Rwanda Local NGOs, Rwanda Civil Society Platform Multinational and Transnational Corporate (investors) and 30 Districts

3.1.1.2 Proportional stratified sample size:

The proportional stratified sample size means that, the number of sampling units drawn from each stratum is in the proportion to the relative population size of that stratum. A sample size of 82 was used on this study after a simplified formula calculated the said sample sizes according to Yamane (1967) which provided a simplified formula as its bellow.

Table 2.2: Stratum sample size

Stratified random sampling is a method of sampling that involves the division of a population into smaller groups known as strata. In stratified random sampling, the strata are formed based on members' shared attributes or characteristics. A random sample from each stratum is taken in a number proportional to the stratum's size when compared to the population. These subsets of the strata are then pooled to form a random sample.Where n is the sample size, N is the population size, and e is the level of precision 10% for our study
Thus,

As Yamane (1967) added, The proportional stratified sample size means that, the number of sampling units drawn from each stratum is in the proportion to the relative population size of that stratum

Table 2.3 Proportional stratified sample size is determined by the following formula:

N	Stratum composition	Nh(the population size for stratum h)	nh (sample size of the stratum h)
1	30 Cooperatives	90	42
2	MINICOM	63	29
3	MINICOFIN	74	34
4	Internationals NGOs	40	18
5	Rwanda Local NGOs	55	26
6	Rwanda Civil Society Platform	15	21
7	Multinational and Transnational Corporate (investors)	35	16
8	30 Districts	90	42
	Total	462	214

Source: Secondary data, 2016

A sampling frame facilitates formation of a sampling unit that refers to one member of a set of entities being studied, which is the material source of the random variable (Bailey, 2008). Common examples of a unit would be a single person, animal, plant, or manufactured item that belongs to a larger collection of such entities being studied. For the purpose of this study, the sampling frame for the target population should be all 213 selected officials from 30 Cooperatives, MINICOM, MINICOFIN, Internationals NGOs, Rwanda Local NGOs, Rwanda Civil Society Platform, Multinational and Transnational Corporate (investors) and 30 Districts. A Stratified random sampling methodology was employed since 214 Official individuals from different Institution working in the Country was selected using Yamane (1967) formula at the research that will be conducted on the impact of economic analysis on project implementation selected from total of 413 population working in different Public-Private Institutions

3.1.1.2 Data Collection Instruments

The researcher collected primary and secondary data. Primary data was collected using structured questionnaires designed to find answers from respondents and are comprising closed and open questions to seek specific answers on the variables under study. While secondary data was collected through consultation of different documents as registration book, monitoring books, Reports and Experts status books all from Public-Private Institutions

3.1.1.2.1 Data Validity

In order for a questionnaire to be useful, the data it produces must be truthful, a researcher must know that the results are meaningful and can be applied more generally than to just the sample tested. Proving the credibility of the questionnaire and ensuring that the resulting data reflect the "truth". For validation of data during this research, questionnaire will be consulted by experts and professors who understanding well the topic, their opinions was taken into considerations and collections was made until their satisfactory level before questionnaires are distributed to the site. Use the following

formula, using the total number of experts (N) and the number who rated the object as essential (E): $CVT = [(E - (N / 2)) / (N / 2)]$

3.1.1.2 Data Reliability

A researcher confirmed the reliability of data collected using a test/retest technics meaning that repeatability of measurement where a person's score on the same test given twice is similar. Conclusion validity was used to confirm if there is connection between the Foreign Policies strategies and Rwandan Economic Development. *The inter-rater reliability coefficient is often calculated as a Kappa statistic. The formula for inter-rater reliability Kappa is this:*

$$K=$$

In this formula, P observed is the observed percentage of agreement.

IV.   RESULTS, ARGUMENT, CONCLUSION AND RECOMMENDATIONS

The Facts and critical analysis done after collection of data by scholars on cases well identified with the purpose of provide the clarification on the objectives determined either by the scholars or any one from the private or public and come up with findings to be based on any measurement resolution

4.1 Response Rate

The number of questionnaires, administered to all the respondents, was 82. A total of 81 questionnaires were properly filled and returned from the Institutions employees. This represented an overall successful response rate of 98.8%. According to Mugenda (2003), a response rate of 50% or more is adequate. Babbie (2004) also asserted that return rates of 50% are acceptable to analyze and publish, 60% is good and 70% is very good.

Table 3.4:   Response Rate

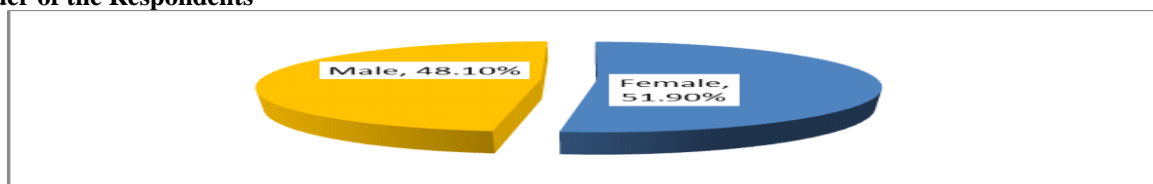| h	Stratum composition	Distributed	Returned	Returned rate
1	30 Cooperatives	42	42	100%
2	MINICOM	29	29	100%
3	MINICOFIN	34	34	100%
4	Internationals NGOs	18	18	100%
5	Rwanda Local NGOs	26	26	90%
6	Rwanda Civil Society Platform	21	23	100%
7	Multinational and Transnational Corporate (investors)	16	6	100%
8	30 District Mayors	42	16	100%
	Total	214	213	98.8%

Source: Primary data, 2017

4.1.1 Demographic information

This section presents the demographic characteristics such as gender, level of education, year worked in the Organizations or Institutions size of the organization and years of Institutions and organization' existence consult

A sample of 214 respondents was given a questionnaire on their gender in Rwanda. The 213 respondents who returned the questionnaire, 48.1% were males; while 51.9% was females. This implies that females are majority of our respondents, which force their participation in Rwandan economy and its development.

4.1.1.1 Gender of the Respondents

Figure 4.1*: Gender of the Respondents*
Source: Primary data, 2017

4.1.1.2 Level of Education

Respondents' qualifications varied greatly. Although most employees had University level qualifications with 39.5%, the study recorded 33.3% respondents with postgraduate level, 14.8% respondents with college level and 12.3% respondents with secondary level.

Figure 4.3 indicates that the majority of respondents had reached university level that could contribute to accurate responses.

Figure 4 2*:* Level of Education
Source: Primary data, 2017
4.1.1.3 Years Worked in the Institution or Organization

The researcher to present experience/duration distribution categories of the respondents used frequency tabulation. Table 4.4 below presents the results:

Figure 4 3*: Working experience in Institution*
Source: Primary data, 2017

The study sought to find out the years the respondents had worked in the organization. The figure 4.3 shows that 40.70% of respondents indicated that they had worked for less than 2 years while 37% indicated between 3 to 5 years and 22.2% indicated over 5 years. The findings imply that the respondents had worked This implies that majority of respondents at least are experienced with at least three or more years in institution (37%+22.2%=59.3%). Those with low experience estimated to two years or less were not ignored (40.7%).

4.1.1.4 Years of working experience

During the research, we were interested in working experience to view if the responses were valid and could contribute to the research objectives. The following table gives us the picture.

Table4. 5. Working experience in Institution

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 2	87	40.7	40.7	40.7
	3 to 5 years	79	37.0	37.0	77.8
	Over 5 years	47	22.2	22.2	100.0
	Total	213	100.0	100.0	

Source: Primary data, 2017

From table 4.2 above, 40% of the respondents have less than 2 years of working experience, 37% have 3 to 5 years, 22.2% have over 5 years. This implies that majority of respondents are less experienced in their institutions or organization.

Table4. 6   Type of Institution

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	public	134	63.0	63.0	63.0
	Private	74	34.6	34.6	97.5
	NGOs	3	1.2	1.2	98.8
	Both public-Private	3	1.2	1.2	100.0
	Total	213	100.0	100.0	

Source: Primary data, 2017

From table 4.3 above, 63.0% of respondents were from public institution, 34.6% were from private sector, and 1.2% were from NGOs and Both public-Private institutions separately.

Table4. 7   Life of institutions

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1 to 5 years	50	23.5	23.5	23.5
	6 to 10 years	45	21.0	21.0	44.4
	11 to 15 years	21	9.9	9.9	54.3
	Over 15 years	97	45.7	45.7	100.0
	Total	213	100.0	100.0	

Source: Primary data, 2017

The results from table 4.4 indicates that 45.7% of respondents approved that their organization or institutions have been in operation over 15 years, 23.5% between 1 to 5 years, 21% between 6 to 10 years and 9.9% between 11 to 15 years.

4.1.2 Institution' contribution to the Rwanda's foreign policy

The researcher wanted to know the respondents views to the contribution of their working institution in the foreign policy implementation. This shows also the dispersion of the sector and different knowledge from different sources.

Table 4. 8 Does your Organisation or Institution works with one of these strategies of Rwanda's Foreign Policy which are Partnership, Regional and global relations and wealth creation?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	6	7.4	7.5	7.5
	Yes	74	91.4	92.5	100.0
	Total	80	98.8	100.0	
Missing	System	1	1.2		
Total		213	100.0		

Source: Primary data, 2017

The findings from table 4.5 show that 91.4% of Respondents said that their institutions work closely with the Rwanda's foreign policy, and only 7.4% said their Institutions are not contribute to the implementation of the foreign policy while only one respondents did not say nothing. This gives the researcher, a picture that the majority of respondents consider the contribution of their respective institutions in the implementation of the Foreign Policy.

Table4. 9   If yes how the institution contribute on the economic development of Rwanda

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Attracting foreign investors	68	32.1	32.1	32.1
	Promote Bilateral and multilateral cooperation	16	7.4	7.4	39.5
	Facilitating trade	55	25.9	25.9	65.4
	Equipping students with relevant skills	11	4.9	4.9	70.4
	Improving export promotion	63	29.6	29.6	100.0
	Total	213	100.0	100.0	

Source: Primary data, 2017

The results from table 4.6 reveal that 68 from 213 respondents equivalent to 32.1% confirmed that their institution contribute on the economic development of Rwanda through Attracting foreign investors, 63 equivalent to 29.6% through Improving export promotion, 55 respondents equivalent to 25.9% through Facilitating trade, 7.4% through promoting Bilateral and multilateral cooperation, and 4.9% through equipping students with relevant skills.

4.1.3 Perceptions and attitudes towards the contribution of partnership strategy between Rwanda and the rest of the world

This section aim to establish the views of respondents to the contribution of partnership strategy on increasing the economic development of Rwanda. The tables below show the respondents perspectives to the strategy.

4.1.3.1 Contribution of Rwanda foreign strategy to her economy

Respondents were asked whether Rwandan foreign strategy was contributed to her economy.

4.1.3.2 Technical and financial contribution

As illustrated in the table below, respondents have shown their perception of Rwanda foreign strategy contribution to the technical and financial contribution to the economy. All respondents support that Rwanda foreign strategy contributes to the financial and technical cooperation between countries and international organs.

Table4. 10 The Technical, Financial bilateral and multilateral cooperation between Rwanda and world have a positive influence on Rwanda GDP

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	113	53.1	53.1	53.1
	Agree	100	46.9	46.9	100.0
	Total	213	100.0	100.0	

Source: Primary data, 2017

Among 213 respondents, 53.1% strongly supported and 46.9% supported the idea of technical and financial cooperation between countries and organs. There was any disagree in the responses.

4.1.3.3 Investments contribution to raise Rwanda exports partnership

For the case of rising Rwanda exports partnership from the investments interviewers were shown their views regarding the contribution of foreign strategy to the exports growth.

Table 4. 11   Partnership with countries in terms of trade and investment raise the access of Rwandan exports to foreign markets

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	105	49.4	49.4	49.4
	Agree	103	48.1	48.1	97.5
	Disagree	5	2.5	2.5	100.0
	Total	213	100.0	100.0	

Source: Primary data, 2017

From the table above, 208/213 of respondents agreed that this strategy contribute to the export growth of Rwanda and only two respondents challenges the foreign strategy to do not contribute to the export growth. Those two respondents said that it is not contributing because Rwanda still importing more than what it is exporting abroad.

4.1.3.4 Perception on the Rwandan development vis a vis the foreign strategy

Respondents perception to the Rwandan development vis a vis the bilateral and multilateral partnership were to classify their views on the issue. Their responses were summarized in the table below.

Table 4.12 Development through bilateral and multilateral affect positively the economic development of Rwanda community by providing necessary

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	87	40.7	40.7	40.7
	Agree	113	53.1	53.1	93.8
	Disagree	13	6.2	6.2	100.0
	Total	213	100.0	100.0	

Source: Primary data, 2017

93.8% of all respondent agreed (strongly agree and Agree) that bilateral and multilateral cooperation contribution was one of the sources of economic development of the country. While other 6.2% disagreed that, the cooperation did not contribute to the Rwandan development.   The 6.2%'s perception was that collaborating with neighboring countries like DRC and Burundi could not develop a country.

4.1.3.5 Perception on the Rwandan unemployment status vis a vis the foreign strategy

Respondents perception to the Rwandan unemployment status vis a vis the bilateral and multilateral partnership were to classify their views on the issue. Their responses were summarized in the table below.

Table4. 13   Partnerships decrease number of unemployment and opened a free movement system

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		3	1.2	1.2	1.2
	Strongly agree	95	44.4	44.4	45.7
	Agree	97	45.7	45.7	91.4
	Disagree	15	7.4	7.4	98.8
	Strongly disagree	3	1.2	1.2	100.0
	Total	213	100.0	100.0	

Source: Primary data, 2017

Among 213 respondents, 210 responds and three not respond. In addition, from the responds 192 or agreed (Strongly agree were 95 and agree were 97) and 18 disagreed (15 disagree and 3strongly disagree). This shows that majority of respondents supported that partnership help in decrease of number of unemployment and opened movement system where Rwandans should move with their capital, their goods and services even working abroad by importing and exporting and business experiences that affect passively the economic development of Rwanda.

4.1.3.6 Other factors of partnership strategy contributive on Rwanda economy
During the research, respondents have given some factors, which could contribute on the economic development of a country. Some of them have grouped in seven main economic sectors:

Table4. 14   Factors of partnership used by institution that contribute to Rwanda development

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Regional and global cooperation	42	19.8	19.8	19.8
	Facilitating trade	34	16.0	16.0	35.8
	Facilitating foreign investors	29	13.6	13.6	49.4
	Free movement promotion	24	11.1	11.1	60.5
	Made in Rwanda promotion	32	14.8	14.8	75.3
	increase investment in infrastructure	26	12.3	12.3	87.7
	Peace keeping	3	7.4	7.4	95.1
	Skills transfers	89	4.9	4.9	100.0
	Total	213	100.0	100.0	

Source: *Primary data, 2017*

The results from table 4.11 indicates that 19.8% of respondents confirmed that factor of partnership used by institution that contribute to Rwanda development regional and global cooperation, 16% is facilitating trade, 14.8% in made in Rwanda promotion, 13.6% is facilitating trade, 12.3% is increasing investment in infrastructure, 11.1% free movement promotion, 7.4% is peace keeping and 4.9% is skills transfers.

4.1.4 Perceptions and attitudes towards the contribution of collaborating with regional and global to the economic development of Rwanda

This section focuses on the results of the research on the contribution of regional and global relations strategy on the economic development of Rwanda. Respondents have shown their views on the importance of Rwanda for being a member on the international or regional organs.

4.1.4.2 Relationship with regional and global organs increase Rwandan economic pillars
This question in brought to check the perception of respondents to the importance of being part in regional and international organs.

Table4. 16   Regional and global integration values through free movement of goods, services, people, capital, residence is increasing GDP, life expectancy, literacy and level of employment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		3	1.2	1.2	1.2
	Strongly agree	100	46.9	46.9	48.1
	Agree	103	48.1	48.1	96.3
	Disagree	8	3.7	3.7	100.0
	Total	213	100.0	100.0	

Source: Primary data, 2017

Among 213 respondents, 210 have given their views and one not say anything. From 210 responses 203 or 96.25% supported, the idea (strongly agree 100 and agree 103). While 8 or 3.75% of them disagree that being part of regional or global organs could increase the wealth of Rwandan. This shows that Rwanda growth from 2000 until now is growing, and for sure the foreign strategy has play a big role.

4.1.4.3 being a member of regional group to Rwanda extend trade territory

Rwandan trade has been mainly unbalanced where the imports dominate the exports of the country. According to the trade statistics information of Rwanda, trade balance has increased during the years. During this research, we wanted to know the respondents view to the being a member of some regional blocs of Rwanda and its extend to trade in territory.

Table4.17   Regional bloc active membership enables Rwanda to extend trade territory

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		5	2.5	2.5	2.5
	Strongly agree	89	42.0	42.0	44.4
	Agree	115	54.3	54.3	98.8
	Strongly disagree	3	1.2	1.2	100.0
	Total	213	100.0	100.0	

Source: Primary data, 2017

Viewing the data presented in the table above, among 213 responds, only 198 responds to the question and 5 did not. 204 or 97.5% (Strongly agree 89 and 115 agree) agreed that adherence of Rwanda in regional block extend trade territory and has increase the Rwanda trade and two respondents did not recognize its impact on Rwanda trade. This shows that the adherence of Rwanda to the regional blocs was significantly extend our trade and then has contribute on the economic growth of the country.

4.1.4.4 Rwanda partnership with peace, security and stability

Partnership is crucial for maintaining and promotion of peace and sustainable development. This can be only achieved through collective efforts. As we are all aware, our world has never been free from crises arising from multiple causes. During this research, we wanted to check the perception of our respondents on their view for being member of Rwanda in different organs on the issue of security and stability. Table below summarize their view.

Table4. 18   Rwanda adherence on regional/global relations is very crucial on promoting peace, security and stability

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		5	2.5	2.5	2.5
	Strongly agree	97	45.7	45.7	48.1
	Agree	105	49.4	49.4	97.5
	Disagree	5	2.5	2.5	100.0
	Total	213	100.0	100.0	

Source: *Primary data, 2017*

Among 213 respondents, 207 respond to the question and two did not. From those 201 or 97.5% (97 strongly agree and 104 agree) agreed that Rwanda adherence on regional/global organs had promoted peace, security and stability while other 5 responds or 2.5 % disagreed that it did. Drawing on the data Respondents had recognized the impact of being part in regional and international organs to the peace, security and stability of a country.

4.1.4.5 Impact of Regional/global organs to the Rwanda economic growth

Regional integration is a complicated progress. Economic growth rates that are not large enough to counteract the negative effects of global economic meltdowns leave many developing countries greatly exposed and this can result to great suffering for a majority people. For economies that are heavily reliant on a few commodity exports of homogeneous nature, the need to come up with long term macroeconomic policies aimed at diversification of their exports through development frameworks that pay close attention to increase investment and new technologies cannot be overemphasized. From this concept, the researcher wanted to see the views of respondents to the impact of those regional/global organs to the Rwandan economic growth.

Table4. 19   Is Regional/global relations contribute to Rwanda economic growth?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	210	98.8	100.0	100.0
Missing	System	3	1.2		
Total		213	100.0		

Source: Primary data, 2017

From the table above, among 213 questioned, 210 respond and only 3 did not. All respondents 210 or 100% affirmed that being a member in different organs had contribute to the Rwanda economic growth.

4.1.4.6 Investment of foreign partners in achieving Rwanda visions

Rwanda's long-term development goals are defined in vision 2020 a strategy that seeks to transform the country from a low-income agriculture based economy to a knowledge based, service oriented and economy with middle-income country status by 2020. In other to achieve this, the private sector has to play a bigger role in ensuring economic growth. Investment relies heavily on foreign and domestic parts.

Table4. 20 Vision 2020 can be achieved through increasing in investment with foreign partners

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		3	1.2	1.2	1.2
	Strongly agree	120	56.8	56.8	58.0
	Agree	87	40.7	40.7	98.8
	Disagree	3	1.2	1.2	100.0
	Total	213	100.0	100.0	

Source: Primary data, 2017

Among 213 respondents, 210 respond to the question and one did not. From those, 207 or 98.75% (120 strongly agree and 87 agree) agreed that Rwanda could achieve the vision by increasing investments from foreign partners other 3 respondents or 1.25 % disagreed that it did. This shows that even Rwanda development players' institutions recognize the role of foreign partners in the development of a country like Rwanda.

4.1.4.7 Foreign Direct Investment and tourism promotion to wealth creation in Rwanda

Developing countries today compete to attract foreign direct investment to their local economic area. Rwanda government has created an environment conductive to investment, to attract both local and foreign investment finance. The investment and tourism sector have been the main investment arra that Rwanda has shown to be invested in. The respondents asked to give us their opinions to their views on their promotion to the wealth creation in Rwanda.

Table 4. 21 Foreign Direct Investment and tourism promotion supported by Rwanda foreign policy strategies cumulating wealth creation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	113	53.1	53.1	53.1
	Agree	92	43.2	43.2	96.3

	Frequency	Percent	Valid Percent	
Disagree	3	3.7	3.7	100.0
Total	213	100.0	100.0	

Source: Primary data, 2017

The table above shows that the majority of respondents have affirmed that FDI and tourism contribute to the wealth creation. Among 213 respondents, 210 or 96.3% (53.1% strongly agreed and 43.2% agreed) agreed that it contribute while other three or 3.7% disagreed their impacts on wealth creation.

According to the analysis performed, it was found that FDI did accelerate growth in Rwanda. The initial human capital increase, some social development and institutional parameters do represent positive influence of FDI on economic growth. The influence of FDI on wealth creation depends on which sector (manufacturing, agriculture etc.) FDI flows are directed. In general, positive influence of FDI is explained by "technological diffusion" originating from firms accepting foreign capital and spreading to related companies in a form of technical support of suppliers (customers) and business environment. Technological diffusion is associated with positive external effect of FDI

Table4. 22   The transfer of knowledge, skills and talent improve domestic productions and its innovation

		Frequency	Percent	Valid Percent
Valid	Strongly agree	129	60.5	60.5
	Agree	84	39.5	39.5
	Total	213	100.0	100.0

Source: Primary data, 2017

The results from table indicates that 60.5% of respondents strongly agreed that the transfer of knowledge, skills and talent improve domestic productions and its innovation, 39.5% agreed.

Table4. 23 Factors partnership has to increase for the economic development

Economic Sector	Selected frequency
Agricultural	166
Trade	195
Industry	210
Tourism	205
Services	137
Health	108
Education	155

Source: Primary data, 2017

The Rwandan party leadership has to look at the several sector of economic to attract partnership involve in. Our respondents choose to shows the area that mainly need partnership to be developed. In the table above, respondents choose mainly industry (210 votes), tourism (205 votes), trade (195 votes), agricultural (166 votes), education (155 votes), Services (137 votes) and health (108 votes) to be enforced in development of our country.

V. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary

From the findings it was observed that majority of respondents were from the public Institutions at 63.0%. The findings also revealed a majority response being Female at 51.9%, the majority having been in those position for between 1 year to 4 years (40% The highest level of education for the majority respondents was degree at 39.5%, with each institution surveyed having a combined workforce between 50 to 199 (78.2%).

5.2.2 Contribution of partnership strategy on economic development in Rwanda

The first objective of the study was to demonstrate the contribution of partnership strategy on economic development in Rwanda. The Results showed that Partnership with different countries in terms of trade and investment raise the access of Rwandan exports to foreign markets by removing barriers to trade and providing necessary infrastructure and finance which motivate Rwandans to increase their production and importing abroad vis versa that increase the individuals Gross Domestic Product per capita (life expectancy, Literacy and levels of employment, Infrastructure, Personal dignity and Freedom of association);

The Foreign Direct Investment The prospects for 200-2015 are for higher flows, with rise record in the Foreign direct investment (FDI) inflow owing to the fact that 2015 new investment projects attraction was at its best with over 800 million US$ worth of foreign private investment projects registered in that year.

The results confirmed that foreign policy strategy has a statistically significant effect on economic development Rwanda as Sig=0.004<0.05

5.2.3 Contribution of regional and global relations strategy on Rwandan economic development

The second objective of the study was to assess the contribution of regional and global relations strategy on Rwandan economic development. The Results indicate that Being member of Regional Integration, Intra-Africa cooperation and multilateral organization which Rwanda is actively contributing and making her as an important player in multilateral system which encourage the International community (UN, AU, EU, EAC, ECCAS, ICGLR, AIMS, TWAS…) to trust Rwanda as peaceful, secure and stable for hosting International occasions and is affecting positively her economic development. 100% of respondents affirmed that being a member in different organs had contributed to the Rwanda economic growth. It has observed that Regional &Global contribute statistically and significantly to balance of trade as sign=0.002<0.05

5.2.4 Contribution of wealth creation strategy on Rwanda economic development

The third objective of the study was to determine the contribution of wealth creation strategy on Rwandan economic development. The findings of this paper confirm a positive and statistical significant relationship between wealth creation strategy to GDP per capita in Rwanda because p-value=0.003<0.05. There is also a statistical significant relationship between wealth creation strategies to balance of trade as p-value=0.003<0.05. It is explained by the reforms undertaken by the government of Rwanda in making the country a favorable place for investments through the stability of macroeconomic and political environment

5.2 Conclusions

In view of the findings as well as the conclusion deduced from the study some recommendations were made.

5.3.1 Partnership strategy on Rwandan economic development

Partnership strategy was found to have an effect on economic development in Rwanda through attracting foreign investors, improving export promotion, facilitating trade, promoting Bilateral and multilateral cooperation and equipping students with relevant skills. The findings indicated that Partnership with countries in terms of trade and investment raise the access of Rwandan exports to foreign markets as confirmed by majority of respondents.

5.3.2 Regional and global relations strategy on Rwandan economic development

Results also led to the conclusion that factors of Regional and global relations strategies which contributed on Rwandan economic development were regional and global cooperation, facilitating trade, made in Rwanda promotion, increasing investment in infrastructure, free movement promotion, peace keeping and skills transfers. The agreements percentage of respondents on questionnaire has also approved that regional and global relations strategy contribute on Rwandan economic development.

5.3.3 Wealth creation strategy on Rwanda economic development

The findings of this paper confirm a positive and statistical significant relationship between wealth creation strategy to GDP per capita in Rwanda because p-value=0.003<0.05. There is also a statistical significant relationship between wealth creation strategies to balance of trade as p-value=0.003<0.05. This is a response to continuously improving business environment and proof of existence of investment opportunities within the country, which in return influence the country's development.

5.3 Recommendations

Based on the results, findings and conclusions the following recommendations were proposed. The study recommends that government of Rwanda should diversify partnership strategies in the areas such as research and development, education, science and technology, health, manufacturing in order to ensure rapid and sustainable economic development.

Exports are of fundamental importance to the achievement of Rwanda's economic development and poverty reduction targets that is why the Government of Rwanda should set specific export growth target to be achieved and make effort to increase and sustain its participation in both regional and international trade.

Monitoring of Rwanda's trade performance on a regular basis should help in understanding trends and patterns in trade and provides an opportunity to highlight emerging issues.

The local business community plays a critical role in employment and economic development partnerships in country. In fact, in some instances, it was found that the business community simply bypasses governmental efforts, if they think that they are unresponsive or cumbersome. While it is in the public interest to establish general guidelines such as targeting assistance at individuals and communities that are experiencing economic hardships, if country mandate too many guidelines, reporting requirements and procedures, it is possible that the business community will not actively participate.

5.4.2 Regional and global strategy on Rwandan economic development

To increase Rwanda's integration into the International community and the world economy in order to attract foreign investors because their contribution has found to be positive and statistically insignificant in increasing Gross Domestic Product per Capita.

The government of Rwanda should maintain international cooperation and continue working to enter into multilateral conventions and bilateral agreements in the field of education, science, culture, implementation of joint research and development of projects. There is a need to increase Rwanda's integration into the international community and the world economy.

Exports are of fundamental importance to the achievement of Rwanda's economic growth and poverty reduction targets. The Government of Rwanda should therefore making every effort to increase and sustain its participation in both regional and international trade.

The Government of Rwanda should take in to consideration the External factors such as slowing economic, continent such as low prices and political unrest in those countries that cause the poor performance of exports and should understand the attribution movements in trade is generally difficult, as many countervailing factors influence the buying and selling of goods and services to and from an economy.

Nevertheless, some external factors are very likely to have had an impact on Rwanda's imports and exports. Competitiveness in the region likely have been a significant cause of the overall poor performance of exports. A sharper slowdown in Chinese economy and weak recovery in the EU has had a negative impact on demand globally.

5.4.3 Wealth creation strategy on Rwanda economic development

The institutions in charge of Foreign Policy strategies in Rwanda should first understand the Vision of the Country, which is to transform Rwanda into middle-income nation in which Rwandans are healthier, educated and generally more prosperous. Through working with other countries under partnership frameworks, would support wealth creation as intended by national development policy and strategies such as vision 2020 and national strategy for transformation.

Based on the Study, it was found that there are technical gaps between Public Institutions where there is lack of coherent coordination mechanisms between their developmental policies and Foreign policy. The government is thus urged to ensure that the coordination of foreign policy and development policies are properly coordinated, monitored, and updated to keep them responding on the countries development wants.

The study also found that institutions in charge of trade should encourage export by promoting made in Rwanda, facilitating trade and increasing investment in infrastructure because the results have proved positive but statistically insignificant relationship between balance of trade and GDP per Capita.

The study recommends developing economic and trading diplomacy strategy, providing diplomatic means to promote and protect Rwanda's interests, creating favorable conditions for the expansion of Rwanda's business and exporting products to global markets.

The study recommends also the Government of Rwanda to ensure participation of the country in international economic organizations and financial institutions, promote Rwanda's representation and decision making in international organization As Government of Rwanda has set targets to become a middle-income country by 2035, a highest income country by 2050. To achieve those targets, both public and private actors need to work together and coordinate their actions.

5.4 Areas for Further Research

A replica of this study can be carried out with a further scope to include other state corporations and see whether the findings hold true. Future studies should apply different research instruments like interview guide, focus group discussions to involve respondents in discussions in order to generate detailed information which demonstrate how Rwanda' Foreign policy strategies contribute on Rwandan economic development.

This study can, however, also be applied to other geographical areas as a foreign policy strategies of any country should be contributing on the economic development whatever classes its classified on. One of the applications of the research would be to extend the framework to the whole Barents Region. Multiple-case analysis would, therefore, allow for greater generalizability and making assumptions about the trade development strategy of Russia in the international arena.

Another stream of research could be directed towards closer investigation of each constituent part of the conceptual framework, which would ensure a deeper understanding of the framework's influence on free movement and cross-border cooperation as an element of foreign policy strategies. Research embedded in another context could address new issues and areas within the field of economic diplomacy, trade promotion, infrastructure development, intelligent growth or support for market access.

Finally, in this study the strategizing instances analyzed were initiated and executed by either formal or informal regional and International institutions; however, the types, availability, role, importance and influence of these institutions on economic development were not deliberated. Paying closer attention to the local institutional landscape would afford an opportunity to obtain valuable knowledge concerning its effect on the business environment and govern the necessary potentially institutional changes.

In addition, a deeper understanding of local institutions would allow foreign business actors develop adequate strategies, foresee, and respond proactively to possible difficulties arising from the specifics of the institutional landscape.

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AUTHORS

First Author – Aimé Muyombano I. PhD Scholar, School of Development Studies and Communication, JKUAT, Nairobi-Rwanda

Second Author – Prof. Maurice M. SAKWA, PhD, Senior Lecturer and COD Development Studies, JKUAT, Nairobi-Kenya

Third Author - Dr. Deya Jared, PhD, Lecturer School of Development Studies and Communication, JKUAT, Nairobi-Kenya

Forth Author – Prof. Eugene Ndabaga, PhD, Senior Lecturer School of Education, University of Rwanda, Kigali-Rwanda