87,955 and 119 are the dollar value figures of the world’s richest country and the world’s poorest country as measured by the nominal Gross Domestic Product per capita. According to the International Monetary Fund, as of 2006 Luxembourg is the wealthiest nation in the world with a GDP per capita of $87,955. Though Luxembourg has a high GDP, the real statistical merit of this number is diminished because a considerable portion of Luxembourg’s workforce are non-residents. These non-resident workers do not have to be counted in Luxembourg’s population, effectively increasing the GDP. In addition, Luxembourg enjoys the open trade agreements of the European Union and is strategically located close to its primary trade partners, Belgium and the Netherlands.

With a GDP of only $119, Burundi is the poorest nation in the world. Political instability and violence primarily among the Tusti and Hutu threaten Burundi’s economic success as well as the surrounding nations, which are also some the world’s poorest. Burundi lacks a sufficient infrastructure, especially transportation. With no railways and only 7% paved roads, the flow of goods is severely restricted. Burundi’s economy is 94% agricultural, 4% service, and a paltry 2% industrial, when combined with a waning infrastructure, the possibility of international trade becomes almost non-existent.

The primary comparison here is based on the nominal GDP per capita, which is a measure of the total value of a nation’s goods and services in a year, divided by the average population for that year. At face value, this seems a poor method to measure wealth. The nominal GDP per capita does not take into effect that different countries
have different costs of living. The value of a country’s currency can fluctuate greatly within the course of a year, though this does not necessarily have a great effect on the standard of living within that country. Another method used to determine a nation’s wealth is their Purchasing Power Parity. PPP attempts to adjust the value of a nation’s total goods and services to reflect fluctuations in currency. This largely removes the problems associated with nominal GDP, however, this method of calculation poses its own problems. Since PPP’s are estimates rather than facts, calculations can vary substantially depending on whose doing the calculating, whether the IMF or World Bank etc. However, by the IMF’s calculations, Luxembourg is the world’s wealthiest nation by PPP and Burundi is still the poorest nation by PPP.
International Monetary Fund, World Economic Outlook Database, April 2007, for the year 2006: Countries, EU(27) GDP/pop.