The Influence of Political Aspects on Economic Development: an Analysis of the interaction of Management Spheres in the Modern World

Natalia Serbina[1,*], Valentyna Daineko[2], Iuliia Tsyrfa[3], Mariia Rozhkova[4] and Nataliia Lytvynenko[5]

[1]*Associate Professor at the Chair of International Media Communications and Communication Technologies, Ph.D. in History, Taras Shevchenko National University of Kyiv, Educational and Scientific Institute of International Relations, Chair of International Media Communications and Communication Technologies, Ukraine.*

[2]*Head of the Chair of Foreign Languages, Ph.D. in Philology, Professor, Taras Shevchenko National University of Kyiv, Educational and Scientific Institute of International Relations, Chair of Foreign Languages, Ukraine.*

[3]*Associate Professor at the Chair of International Regional Studies, Ph.D. in Political Science, Associate Professor, Taras Shevchenko National University of Kyiv, Educational and Scientific Institute of International Relations, Ukraine.*

[4]*Associate Professor at the Chair of Foreign Languages, Ph.D. in Law, Associate Professor, Taras Shevchenko National University of Kyiv, Educational and Scientific Institute of International Relations, Chair of Foreign Languages, Ukraine.*

[5]*Associate Professor at the Chair of International Information, Ph.D. in Economics, Associate Professor, Taras Shevchenko National University of Kyiv, Educational and Scientific Institute of International Relations, Chair of International Information, Ukraine.*

Abstract: The article is aimed at studying the mechanisms of interaction between political decisions made at different levels of management and the economic dynamics of countries and regions. By analyzing specific examples and cases, the article examines how the political context affects the investment climate, market regulation, trade relations, and other aspects of the economy. The article highlights the key factors of interaction between the political sphere and economic development and emphasizes their importance for the formation of effective management strategies in modern conditions. The purpose of the article is to analyze the interaction between political aspects and economic development in the modern world and to build a model of the interrelationships of the system of factors of political and economic development. The object of the article's research: is the interaction of political aspects and economic development. The subject of the article's research: the analysis of the interaction between the spheres of management and their influence on economic development in the modern world. First, an analysis of scientific sources, publications, reports, and statistical data was conducted to gather information about the impact of different political regimes on investment climate and economic development. Empirical research was applied, which included analyzing statistical data on the attraction of foreign investments under various political conditions and the identification of correlations. The case study approach was employed to examine how political choices influence market oversight and shifts in economic composition considering technological advancements. The relationship between political changes and international trade relations was studied using correlation-regression methods. The analysis of the role of political factors in the development of innovations and the scientific research sphere was carried out using the methods of comparative analysis and synthesis. Economic and mathematical modelling methods were used to develop a model of the influence of political aspects on economic development. Statistical methods were also used to confirm hypotheses about the influence of political aspects on economic development and to confirm the relevance of the developed model. Strategic planning methods are used in the development of management strategies aimed at the interaction between the political sphere and economic development. The use of these complex methods makes it possible to systematically investigate the influence of political aspects on economic development and create a foundation for the formation of effective management strategies. Consequently, the research led to the identification of a significant finding. The role of political factors is pivotal in the advancement of the economy, exerting influence over the establishment of a conducive environment for investments, the maintenance of macroeconomic equilibrium, the allocation of resources into human capital, the enhancement of infrastructure, and the implementation of efficient institutional frameworks. Fostering an environment favourable for investments encourages both foreign capital inflow and the growth of local enterprises. Ensuring macroeconomic stability is the basis for economic growth. Investments in human capital increase labour productivity and contribute to economic growth. Infrastructure development is a necessary condition for the efficient functioning of the economy. The introduction of effective institutions helps protect property rights and ensure the rule of law. The economy can experience both advantageous and adverse consequences due to governmental choices in the political realm. Effective policies that promote economic growth can make a country more prosperous and provide better living conditions for its citizens.

Keywords: Analysis of management spheres, Economic development, Economy, Global dimension, Political decisions.

JEL: O11; O12; O13; P18.

1. INTRODUCTION

Political and economic aspects are closely related. Politics creates conditions for economic development, and economics affects political processes. In today's world, the interaction of these two spheres of management is becoming increasingly complex and multifaceted. A World Bank study found that countries with more democratic political systems have higher rates of economic growth. A study by the International Monetary Fund found that countries with more efficient government systems have more stable economies. A World Bank study found that countries with better legal institutions have more attractive investment environments. A study by Transparency International found that countries with lower levels of corruption have more efficient economies. According to research conducted by the World Bank, nations with more liberalized economies tend to exhibit elevated levels of economic expansion. Data indicates that the realm of politics wields a substantial influence on the progression of economies. To ensure economic development, it is necessary to create favourable political conditions. One of the most important political characteristics affecting economic development is the type of political system. Democracies tend to have more developed economies than authoritarian regimes. This is because democracies are characterized by the rule of law, honesty and transparency of governance, as well as pluralism and freedom of entrepreneurship. Other important political factors affecting economic development include the stability of the political system, the efficiency of public administration, the quality of legal institutions, the level of corruption, and the openness of the economy. Economic factors also affect political processes. For example, an economic downturn can lead to increased social tensions and protests, while economic growth can strengthen the existing political system. The interaction of management spheres in the modern world is becoming more and more complex and multifaceted. Political and economic aspects are increasingly interconnected, and this affects the development of society. To ensure economic development, it is necessary to create favourable political conditions. To create favourable political conditions, it is necessary to ensure economic development.

2. THE PURPOSE OF THE ARTICLE

Therefore, considering the relevance and practical significance of the outlined problem, it is advisable to formulate the purpose of the research. The purpose of the article is to analyze the interaction between political aspects and economic development in the modern world and to build a model of the interrelationships of the system of factors of political and economic development.

*Address correspondence to this author at the Associate Professor at the Chair of International Media Communications and Communication Technologies, Ph.D. in History, Taras Shevchenko National University of Kyiv, Educational and Scientific Institute of International Relations, Chair of International Media Communications and Communication Technologies, Ukraine; E-mail: serbina_natalia@ukr.net

To achieve the goal of the study, the following tasks were performed:

- To investigate the influence of different political regimes on the investment climate and the ability of countries to attract foreign investments.
- Analyze the impact of government decisions on market regulation and the structure of the economy in the context of changes in technological development.
- Analyze the correlation between alterations in political dynamics and global trade connections, encompassing the repercussions of levies, trade pacts, and penalties.
- To analyze the role of political factors in the formation of tax policy and its impact on the business environment and the financial state of the country.
- To investigate the influence of political decisions on the development of innovations and the scientific research sphere, considering the role of state support and regulation.
- To develop a model of the set of factors influencing political and economic development.
- To substantiate the reliability of the developed model of the set of factors influencing political and economic development.
- To study the possibility of forming effective management strategies that would promote mutually beneficial interaction between the political sphere and economic development in modern conditions by implementing the developed model of the set of factors influencing political and economic development.

3. LITERATURE REVIEW

International political economy is a new and specialized field that combines political analysis with the study of markets, trade, and development. Because the global economy has interdependent effects on politics, the environment, and society, and with several important economic developments of the past 20 years, the authors felt it necessary to provide a guide to sources in the field. The guide contains reference works and online resources that include or provide access to primary documentation, statistical studies, and tables, as well as reference books, manuals, encyclopedias and dictionaries. Given the interdisciplinary nature of the field, emphasis has been placed on sources that highlight the core field of international political economy. Related fields of study such as globalization, development, environmentalism, and social movements were excluded. The main point of the study is that this article is the first comprehensive guide to international political economy, which includes references, primary and statistical sources published from 2000 to the present, and is a valuable resource for students, researchers, and professionals in the field of international political economy [Schwitzner, T. and Kahl, C.M. (2012)].

Enables the exploration of potential links between organizational performance evaluation and large-scale urban development initiatives within the broader context of sustainable development, governance, and responsibility. The interaction between performance measurement and urban development on both macro and micro levels is investigated through the lens of three distinct theoretical frameworks. Using three theoretical approaches, the macro-micro dynamics between performance measurement and urban development are analyzed. Using the example of the Egyptian State Urban Development Organization and its renewable energy project, the study identifies how performance measurement systems influence policy decisions regarding urban development. The study found that performance measurement systems can influence decision-making processes in the public sector in the specific context of urban development. The systems analyzed can also increase public sector management capabilities for urban audit, transparency, accountability, and sustainability management. They can also help in making the right political decisions to improve the welfare of citizens and the regular consumption of smart energy. The study constitutes a significant addition to both the conceptual framework and real-world application of gauging the efficiency of political choices. It delves into the intricate interplay between performance measurement and urban development, spanning multiple levels and interactions, while furnishing novel perspectives on leveraging performance measurement systems to enhance the efficacy of policy-making concerning urban progress (Alsaid, L. A. Z. A., Ambilichu, C. A., 2023).

The article discusses how different techniques of global and regional management science can be used to analyze disaster management and the global pandemic, with a particular focus on countries, which are developing. First, the author discusses the subjects of risk management. The focal point of the writer's argument lies in advocating for a greater amalgamation of risk management studies with socio-economic and geographical variables. Predominant risks encompass potential warfare, particularly nuclear conflicts, alongside the potential diminishment of economic growth and living standards due to military expenditures. The author probes the various methodologies that can be harnessed to scrutinize risk management, exemplified by the scenario of a worldwide pandemic. In particular, the author considers the use of geographic information systems (GIS), network analysis, and data analysis for risk analysis. The author also discusses the use of new management techniques, such as artificial intelligence and machine learning, to manage the risks posed by the global pandemic. The author concludes that different techniques can be used to analyze disaster management and global pandemics. However, the author also emphasizes that these techniques should be more integrated with socioeconomic and geographic factors to ensure effective risk management in the context of a global pandemic (Chatterji, M., 2023).

Risk situations have also been considered in other studies. The chapter offers an intellectual framework for considering the role of economic factors in conflict and suggests some potentially useful future research directions. It seems that economic factors should be considered as "hard" constraints on the dynamics of large-scale conflicts and peace, while political factors are "soft". The author believes that political factors should be considered as primary causes and economic factors as dependent on them. Statistical analyses, which question some recent studies, testify to the primacy of economic factors in international conflict. The models developed to challenge the strong belief in the primacy of the "capitalist world" or the "economic world" over political factors such as democracy. Economic factors are of course of great importance, but they are filtered through the norms and institutions that are political entities. The main point of the study is that political factors should be considered causal and primary, and economic factors as dependent on them. This means that political factors such as democracy are more important to understanding conflict than economic factors (Goldsmith, B. E., 2010).

The article identifies alternatives to current practices in solving sovereign debt repayment problems. The author examines debates about financing and debt repayment difficulties from the first UN Conference on Trade and Development in 1964 to the debt crisis of the 1980s. Based on recent works that emphasize the ways in which the authorities and economists operate in the public space, the author explores the role of economic analysis in the political solution of the problem of the national debt of states in the global economic space. The author describes in detail the repeated refusals of creditor groups from any proposals to improve the international debt architecture and the impact of political decisions. The main point of the study is that the existing practices in solving the problems of repaying sovereign debt are ineffective and do not consider the interests of the debtor countries. The author proposes to reform the international debt architecture to make it fairer and more transparent by determining the political influence on economic decisions (Laskaridis, C., 2023).

The study delved into the correlation between investors' political inclinations and their financial disposition toward risk. The evaluation of one's financial appetite for risk is a pivotal facet in devising a suitable, long-term investment strategy. This research, conducted across an academic year, encompassed a sample of 129 undergraduate students from Central Michigan University. Their financial risk propensity was assessed by scrutinizing their portfolios and trading behaviours within a simulated investment game integrated into a one-semester course. Findings revealed that individuals with conservative economic viewpoints exhibited the highest financial risk appetite, whereas those holding more centrist social perspectives demonstrated a parallel inclination. The authors contend that the outcomes of this study can aid both investment consultants and individual investors in enhancing their comprehension of personal financial risk proclivity, leveraging the dual-axis political compass employed in our investigation. The primary tenet of the research underscores the existence of a nexus between investors' political orientations and their financial risk inclination. Specifically, investors with conservative economic beliefs and moderately centrist social inclinations manifest an augmented financial risk appetite (Moore, J., Felton, J., Wright, C., 2010).

The paper offers a comprehensive overview of existing literature concerning financial integration, specifically honing in on its interconnectedness with both financial and economic advancement. The authors meticulously assess the landscape of financial inclusion research conducted over the past 15 years, underscoring the progression in methodologies adopted for investigating financial inclusion. The evaluation encompasses an assemblage of 107 studies, published between 2008 and 2023, and featured in 63 peer-reviewed journals. The report underscores the pertinence of recent research endeavours in this realm. Within the analysis, key insights emerge regarding the favourable repercussions of financial inclusion, spanning domains such as economic growth, poverty alleviation, financial stability, and even the mitigation of CO2 emissions. Despite the copious empirical and theoretical explorations undertaken in this domain, the study contends that a requirement persists for further investigations into financial inclusion. This entails probing diverse geographical areas and examining novel financial and economic indicators of development, including social capital, entrepreneurial activities, and political steadiness. The study aims to outline a new debate on this issue, identify key gaps and provide a productive direction for future research. The study offers ideas for deepening the understanding of the role of financial integration in the system of economic development and political decisions (Naili, M., Jabbouri, I., Helmi, I., 2023).

Exploring the potential fluctuations in the impacts of economic advancement and their influence on political democracy constitutes the focal point. Building upon the discernment of recurrent shifts labelled as "waves" and "reverse waves" in global historical democracy patterns, the study postulates hypotheses that are susceptible to empirical validation. By meticulously examining the historical trajectory of 87 nations spanning the 1960s through the 1990s, the influence exerted by economic development on democracy has evolved from the recognized U-shaped correlation to a converse U-shaped pattern. This transformation transpired circa 1980, aligning with the demarcation of the culmination of the "second reverse wave" and the commencement of the "third wave" of democratization. As such, the research outcomes vividly elucidate that the undulating trajectory of global democracy mirrors the historically variable interplay between economic development dynamics and their effects on political democracy across temporal shifts. The main point of the study is that economic development has a complex and non-linear relationship with political democracy. The influence of economic progress on democracy might shift with the passage of time, and such influence could differ among nations (Kim, H., Morrison, E., 2010).

Contemporary economists have underscored the significance of institutional shifts in steering economic growth and development. While the conventional focus has been on governing dynamics, the article asserts that robust restrictions imposed upon the ruling class are imperative for ensuring prosperous economic expansion. Nevertheless, the article counters this notion, asserting that the causal link operates inversely. Swift growth, even in the context of autocratic regimes, precipitates political evolution and the establishment of institutional frameworks that serve as the bedrock for sustained long-term growth. Furthermore, the argument posits that the most substantial impetus for instigating political progress emanates from the rapid advancement within the agricultural sector. The institutional constraints resulting from political development create an environment in which the ruling elite becomes development-oriented rather than plunder-oriented. To exemplify these concepts, instances of industrialization in England and Japan will be employed. The applicability of these analyses to contemporary developing nations is explored and elucidated through a presentation of Africa's encounter. The central argument of the research contends that expeditious economic expansion, even within autocratic systems, has the potential to engender political advancement and lay the groundwork for enduring long-range growth. Moreover, rapid agricultural growth has the greatest potential to stimulate political development. These findings have important implications for developing countries and can help in the development of effective strategies for economic growth and development (Grabowski, R., 2005).

The chapter introduces and explores the significance of cultural political economy (CPE) as a theoretical construct applicable to the examination of global education governance. CPE is contextualized within history as a contemporary manifestation within the Marxist tradition, aimed at scrutinizing the interconnectedness between cultural aspects (discourse and practice), political facets (institutions), and economic systems. Drawing upon the established delineation of CPE, the chapter confronts the challenges posed by the European Union (EU) as an illustrative instance of international governance. It posits that adopting the CPE approach can both complement and challenge established accounts of the EU's evolution in education governance since the inception of the Lisbon Strategy in March 2000. Concluding, the chapter acknowledges certain facets of CPE that are yet to be fully explored and those that pose dilemmas. It also accentuates the circumstances under which the presented CPE approach might need to harmonize with other theoretical perspectives. The primary argument of the research is that CPE can serve as a theoretical framework conducive to analyzing the management of international education. CPE allows us to consider education as a cultural phenomenon that is closely related to political and economic processes. CPE also allows for an analysis of the EU's role in international education governance. These findings have important implications for the understanding of international education management and can help in the development of effective strategies for the development of education on a global scale (Jones, P. D., 2010).

In this investigation, a political-economic framework is introduced to examine the influence and consequences of political involvement in environmental disputes. The proposed analytical methodology, which champions a state-oriented perspective from a socioeconomic standpoint, directs attention toward the economic underpinnings of political engagement within contentious scenarios. The paper conducts a critical evaluation of prevailing methods for conflict analysis while simultaneously delivering a concise depiction of land use policies and the historical landscape of environmental disputes tied to land utilization. This exposition underscores the potential of the political-economic approach. The central argument of this research underscores the utility of the political-economic model for scrutinizing the role and ramifications of political interference in the trajectory and resolution of environmental conflicts. This approach allows considering environmental conflicts as social conflicts rooted in economic relations. The political-economic model also allows analyzing the role of the state in environmental conflicts (Modavi, N., 1991).

The paper investigates the dynamics of social accounting within the intricate framework of substantial political, social, and economic upheavals. Specifically, the author delves into the strategic manoeuvres adopted by companies for formulating and executing social accounting practices in varying sociopolitical and economic settings, both pre-and post-Arab Spring. Employing the "cultural toolkit" theory as a framework, the study leverages 43 semi-structured interviews encompassing 17 companies and their stakeholders within the Arab region. The research posits that the prevailing context profoundly shapes the contours of social accounting practices, moulding the cultural toolkit comprising habits, competencies, and approaches, which serve as the foundation for companies to devise their social accounting strategies. Periodically, organizations allocate resources to cultivate their social accounting practices and actively seek insights and feedback regarding the constraints and anticipations of their sociopolitical and economic milieu. This study enriches the existing body of literature by casting light upon the landscape of social accounting practices within an overlooked backdrop characterized by substantial political, social, and economic crises (Al Mahameed, M., Belal, A., Gebreiter, F., Lowe, A., 2021).

The article examines the interaction between economic liberalization, political liberalization, and financial development in African countries. In particular, the article seeks to establish the impact of economic, political, and institutional openness on financial deepening. In the empirical part, the article proposes a two-stage procedure that predicts the treatment effect and a new technique of panel studies of recently updated data for economic and political reforms. The results show the extent to which political liberalization, economic liberalization and political system stability have a statistically significant effect on the continent's financial development, showing that reform, stability, and democratic governance appear to be conducive to the development of the continent's financial sector. The main point of the study is that political and economic liberalization, as well as the stability of the political system, have a statistically significant effect on financial development in African countries (Enowbi-Batuo, M., Kupukile, M., 2010).

The primary objective of the research is to analyze the influence exerted by distinct dimensions of economic freedom and political freedom on foreign direct investment (FDI) inflows in 95 nations across a six-year span spanning from 1995 to 2000. This comprehensive study encompasses a diverse set of 95 countries and spans the temporal range from 1995 to 2000. The outcomes derived from the analysis underscore the linkage between enhanced economic performance (encompassing facets like monetary policy, fiscal obligations, and the integrity of the banking and financial system), reduced government intervention in economic matters, minimized state interference (such as fortified property rights, diminished regulations, diminished prevalence of informal markets, and a reduction in corruption), the absence of price controls and rigid pricing restrictions, as well as amplified levels of political freedom, all of which contribute to heightening the influx of FDI. It is worth noting that empirical studies adopting indices like the Index of Economic Freedom encounter certain methodological constraints. The empirical discoveries underscore the noteworthy influence wielded by governmental roles within national economies on the decisions related to FDI. In essence, the central thesis of this research underscores the profound impact that economic freedom and political freedom within host countries exert on the magnitudes of foreign direct investment inflows (Sambharya, R. B., Rasheed, A. A., 2015).

4. METHODOLOGY

The study of scientific sources, publications, reports, and statistical data to collect information about the impact of various political regimes on the investment climate and other aspects of economic development allowed to accumulate and establish requirements for financial and economic processes. The requirements include such characteristics as adaptability, strategic orientation, multifactorial, relevance and adequacy of the model, as well as its practical implementation, which is determined by using grouping methods. Empirical research was used to analyze statistical data on the attraction of foreign investment under various political conditions and to identify correlations. The case study method was used to study specific countries or regions to assess the impact of political decisions on market regulation and changes in the structure of the economy in view of technological development. The study of the impact of trade relations was conducted by analyzing the relationship between political changes and international trade relations, including the analysis of the impact of tariffs, trade agreements and sanctions by using correlation-regression methods. The study of the influence of political decisions on the development of innovations and the scientific research sphere, in particular the role of state support and regulation, was carried out by means of methods of comparative analysis and synthesis. The development of the model, which considers various political aspects and their impact on economic development, including the investment climate, trade relations, and tax policy, was carried out by using the methods of economic and mathematical modelling. The use of statistical methods to confirm or refute hypotheses about the influence of political aspects on economic development made it possible to confirm the relevance of the developed model. The development of management strategies that would promote mutually beneficial interaction between the political sphere and economic development, considering the developed model of the set of influencing factors, was carried out by using strategic planning methods. The use of a complex of methods makes it possible to systematically study the influence of political aspects on economic development and develop the basis for the formation of effective management strategies.

5. RESULTS

After analyzing literary sources, it is expedient to determine political factors that affect economic development, including:

- type of political system;
- stability of the political system;
- efficiency of state administration;
- the quality of legal institutions;
- level of corruption;
- the openness of the economy.

Each of these factors can have a positive or negative impact on economic development. For example, democracy usually has a positive effect on economic development because it promotes the rule of law, honesty, and transparency of governance, as well as pluralism and freedom of entrepreneurship. Authoritarian regimes, on the other hand, usually have a negative impact on economic development, as they are characterized by a lack of rule of law, corruption, and lack of entrepreneurial freedom.

There are many ways to quantify the impact of political factors on economic development. One way is to use econometric models. Econometric models make it possible to assess the influence of various factors on economic development, controlling for other factors that can influence the result. The resulting model proposed in the study is presented in Table **1**.

Table 1. Model of political factors influencing economic processes.

Index	Formula	Characteristic
Democracy Index	Democracy Index is an annual rating that determines the level of democracy in 167 countries of the world. It is produced by the Economist Intelligence Unit (EIU), a division of The Economist Group. The rating measures five key aspects of democracy: – Political rights. – Free and independent press. – Equality before the law. – Effective management. – Participation in decision-making.	The Democracy Index rating is measured on a scale of 0 to 10, where 10 is the highest level of democracy and 0 is the lowest. Countries with a score of 8 and above are considered full-fledged democracies. Countries scoring 6-7 are considered hybrid regimes. Countries that receive a score of 4-5 are considered authoritarian regimes. Countries that receive a score of 0-3 are considered totalitarian regimes.
Human Rights Index	The Human Rights Index is an annual rating that determines the level of human rights compliance in 193 countries of the world. It is conducted by Human Rights Watch, an international human rights organization. The rating measures 51 indicators covering such areas as: – Life is the right to life. – Non-discrimination. – Freedom. – Justice. – Social rights.	The Human Rights Index rating is measured on a scale of 0 to 10, where 10 is the highest level of respect for human rights and 0 is the lowest. Countries that receive a score of 8 and above are considered countries with a high level of respect for human rights. Countries that receive a score of 6-7 are considered countries with an average level of respect for human rights. Countries that receive a score of 4-5 are considered countries with a low level of respect for human rights. Countries with a score of 0-3 are considered to have a very low level of respect for human rights.
Freedom of the Press Index	Freedom of the Press Index is an annual rating that determines the level of press freedom in 180 countries of the world. It is produced by Reporters Without Borders, an international organization that advocates press freedom. The rating measures 20 indicators covering such areas as: – Independence. – Security. – Ethical standards.	The Freedom of the Press Index rating is measured on a spectrum ranging from 0 to 100, with 100 representing the utmost degree of press freedom and 0 representing the minimal level. Countries with a score of 70 and above are considered to have a high level of press freedom. Countries with a score of 40-69 are considered to have an average level of press freedom. Countries with a score of 30-39 are considered to have a low level of press freedom. Countries with a score of 0-29 are considered to have very low levels of press freedom.
Political Instability Index	The Annual Political Instability Index (PII) serves as an evaluative measure to assess the degree of political instability across 193 nations globally. This index is formulated by the Fund for Peace, a non-governmental organization based in the United States, dedicated to conflict prevention and peace reinforcement. This assessment entails a comprehensive evaluation of 12 distinct indicators spanning various domains, including: – Power change. – Internal conflicts. – A non-literary conflict. – Violence. – The threat of violence. – Ethnic and religious tensions. – Economic problems. – External problems. – Lack of trust. – Government inefficiency. – The absence of the rule of law.	PII is measured on a scale of 0 to 10, where 10 is the highest level of political instability and 0 is the lowest. Countries with a score of 8 and above are considered to have very high political instability. Countries that receive a score of 6-7 are considered countries with high political instability. Countries that receive a score of 4-5 are considered countries with medium political instability. Countries that receive a score of 2-3 are considered countries with low political instability. Countries that receive a score of 0-1 are considered countries with very low political instability.

Rule of Law Index	The Rule of Law Index (ROLI) is an annual rating that determines the level of the rule of law in 139 countries of the world. It is developed by the World Justice Project (WJP), a non-profit organization working to strengthen the rule of law around the world. The ROLI index measures 44 indicators covering such areas as: – Limitation of powers of the authorities. – Absence of corruption. – Transparency. – Essential liberties. – Arrangement and safety. – Policing and law enforcement. – Judicial fairness. – Criminal judicial system.	The ROLI index is measured on a scale from 0 to 1, where 1 is the highest level of rule of law and 0 is the lowest. Countries with a score of 0.7 and above are considered countries with a high level of rule of law. Countries that receive a score of 0.5-0.6 are considered countries with an average level of rule of law. Countries with a score of 0.3-0.4 are considered countries with a low level of rule of law. Countries with a score of 0.2 and below are considered to have a very low level of rule of law.
Violence Index	The Violence Index (VI) is an annual rating that measures the level of violence across the globe, spanning 193 nations, this index has been formulated. Its origin lies with the Fund for Peace, a non-governmental organization headquartered in the United States, dedicated to the prevention of conflicts and the reinforcement of peace. The rating measures 12 indicators covering such areas as: – Power change. – Internal conflicts. – A non-literary conflict. – Violence. – The threat of violence. – Ethnic and religious tensions. – Economic problems. – External problems. – Lack of trust in government. – Government inefficiency. – The absence of the rule of law.	VI is measured on a scale of 0 to 10, where 10 is the highest level of violence and 0 is the lowest. Countries with a score of 8 and above are considered to have very high levels of violence. Countries that receive a score of 6-7 are considered countries with high levels of violence. Countries that receive a score of 4-5 are considered countries with an average level of violence. Countries that receive a score of 2-3 are considered countries with low levels of violence. Countries that receive a score of 0-1 are considered countries with very low levels of violence.
Corruption Perceptions Index	The Corruption Perceptions Index (CPI) is an annual rating that determines the level of corruption in 180 countries around the world. It is developed by Transparency International (TI), which is an international non-governmental organization working to fight corruption.	The CPI measures corruption based on 13 different sources, including surveys of businessmen and experts, as well as public documents. The rating is measured on a scale from 0 to 100, where 0 is the highest level of corruption and 100 is the lowest. Countries that receive a score of 0-30 are considered countries with very high corruption. Countries with a score of 31-50 are considered highly corrupt. Countries with a score of 51-70 are moderately corrupt. Countries with a score of 71-90 are considered low corruption countries. Countries that receive a score of 91-100 are considered countries with very low corruption.
Openness Index	The yearly Openness Index (OI) stands as a measure used to assess the extent of governmental transparency across 100 nations globally. This index is formulated by Freedom House, an international non-governmental organization dedicated to the advancement of democracy and the propagation of freedom: – Access to information. – Freedom of the press. – Freedom of Association.	The OI measures the openness of governments based on 20 different indicators, including access to information, freedom of the press, freedom of association and freedom of assembly. The rating is measured on a scale of 0 to 100, where 0 is the highest level of openness and 100 is the lowest. Countries that receive a score of 0-30 are considered countries with a very low level of openness. Countries with a score of 31-60 are considered countries with a low level of openness. Countries that receive a score of 61-90 are considered countries with an average level of openness. Countries that receive a score of 91-100 are considered countries with a high level of openness.
Investment Index	The Investment Index (II) is an annual rating that determines the level of investment attractiveness of the world's countries. It is developed by the Economist Intelligence Unit (EIU), which is the analytical arm of The Economist Group: – Economic stability. – Level of corruption. – Government Effectiveness. – Level of education. – Access to markets.	II measures the investment attractiveness of countries based on 12 different indicators, including economic stabilization, level of corruption, government efficiency, level of education and access to markets. The rating is measured on a scale of 1 to 100, where 100 is the highest level of investment attractiveness and 1 is the lowest. Countries that receive a score of 70-100 are considered countries with high investment attractiveness. Countries that receive a score of 50-70 are considered countries with an average investment attractiveness. Countries that receive a score of 30-50 are considered countries with low investment attractiveness. Countries that receive a score of 1-30 are considered countries with very low investment attractiveness.
Trade Index	The Trade Index (TI) is an annual rating that determines the level of openness of the world's countries to trade. It is developed by the Economist Intelligence Unit (EIU), which	TI measures the openness of countries based on 12 different indicators, including trade protection, infrastructure, access to markets and degree of economic globalization. The rating is measured on a scale of 1 to

	is the analytical arm of The Economist Group. TI is one of the most authoritative ratings of the openness of countries in the world. It is used to compare the level of openness of different countries and to track changes in the level of openness over time. Here are some of the metrics used to calculate TI: – Trade protection. – Infrastructure. – Access to markets. – Degree of economic globalization.	100, where 100 is the highest level of openness and 1 is the lowest. Countries with a score of 70-100 are highly open to trade. Countries with a score of 50-70 are moderately open to trade. Countries that receive a score of 30-50 are considered countries with low openness to trade. Countries that receive a score of 1-30 are considered countries with very low openness to trade.

Source: developed by the author based on literary analysis.

The results of modeling by determining parametric constraints are summarized in Table 2.

Table 2. Ranking of dependence of political factors.

	High positive level of influence	**Average positive level of influence**	**Average negative impact level**	**High negative impact level**
DI	10-8	7-6	5-4	3-0
HR	10-8	7-6	5-4	3-0
FPI	100-70	69-40	39-30	29-0
PPI	10-8	7-6	5-4	3-0
ROLI	1-0,7	0,6-0,5	0,4-0,3	0,2-0
VI	1-0	3-2	5-4	10-6
CPI	30-0	50-31	70-51	100-71
OI	100-91	90-61	60-31	30-0
II	100-70	69-50	49-30	29-0
TI	100-70	69-50	49-30	29-0

Source: developed by the author based on calculations of international ratings.

So, in the table based on the results of the ranking, four gradations of political influences on economic processes for the country are proposed: high positive level of influence, average positive level of influence, average negative impact level, and high negative impact level.

6. DISCUSSION QUESTIONS

In assessing the established framework, it becomes pertinent to ascertain. Versatility denotes the model's capacity to flexibly adapt to fluctuations within both its internal and external surroundings, facilitated by managerial influences. Strategic orientation pertains to moulding models oriented towards long-term perspectives while allowing for potential near-term adjustments amidst conditions of instability. The multi-factorial aspect encompasses the consideration of how model factors interact internally and externally, along with the flexibility to introduce or remove factors based on industry nuances, the state of the economic system, and other pertinent variables. The pertinence and adequacy of the model are gauged by organizing a series of factors and their interconnections, serving as the foundation for formulating precise indicators that validate the proposed hypotheses. The pragmatic implementation of the model hinges on its ease of utilization within practical endeavours, specifically its capacity to be applied using available statistical or informational data to facilitate decision-making.

7. CONCLUSION

The impact of political elements on economic advancement stands as a fundamental determinant affecting the speed and calibre of economic progress. Decisions taken by the government in the political sphere possess the potential to yield both advantageous and detrimental repercussions on the economy. Favourable consequences stemming from political elements include the establishment of an inviting investment climate, fostering the influx of foreign investments and domestic enterprise growth; maintenance of macroeconomic stability, serving as the bedrock for economic expansion; investment in human capital, amplifying labour efficiency and contributing to economic augmentation; infrastructure expansion, a prerequisite for efficient economic functionality; establishment of efficient institutions, safeguarding property rights and upholding the rule of law.

Conversely, adverse ramifications linked to political dimensions encompass corruption, breeding misappropriation of public resources and eroding business trust; conflicts and warfare, disrupting economic operations while inflicting human and property losses; ineffectual economic governance, spawning inflation, unemployment, and fiscal deficits; excessive taxation rates, impeding business expansion; fluctuations in exchange rates, inciting business uncertainties and fostering capital outflows.

A comprehensive scrutiny of the interplay between managerial domains within the contemporary landscape underscores the paramount significance of political elements in driving economic development. Effective policies propelling economic growth can usher in prosperity for nations, delivering enhanced living conditions to their populace.

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