

INFLUENCE OF ECONOMIC CONDITIONS ON POLITICAL INSTITUTIONS

Zhou Yong

*Master' program student in International commercial Law, specialty
"Jurisprudence", Faculty of Law, Belarusian State University, 774304512@qq.com*

This research aims to examine the impact of economic conditions on political institutions. It will identify the specific sphere and ways in which economic factors shape the political landscape. While there are various elements that can influence political institutions, this research will focus on the role of economic conditions as the primary determinant.

Keywords: Economic conditions, Political institutions, political landscape, primary determinant, Geoeconomics.

ВЛИЯНИЕ ЭКОНОМИЧЕСКИХ УСЛОВИЙ НА ПОЛИТИЧЕСКИЕ ИНСТИТУТЫ

Чжоу Юн

*магистрант по специальности «Международное коммерческое право»,
специальность «Юриспруденция», юридический факультет Белорусского
государственного университета, 774304512@qq.com*

Это исследование направлено на изучение влияния экономических условий на политические институты, на определение конкретной сферы и способов, которыми экономические факторы формируют политический ландшафт. Существуют ряд факторов, которые могут влиять на политические институты, это исследование будет сосредоточено на роли экономических условий как основного определяющего фактора.

Ключевые слова: экономические условия, политические институты, политический ландшафт, первичная детерминанта, геоэкономика.

The modern world has witnessed various transformations of political systems due to factors such as industrialization, population growth, rising expectations, and international tensions. These factors have contributed to the disintegration of empires, the emergence and disappearance of nation-states, the reshaping of the international system, the diffusion of new ideologies, and the expansion of popular participation in politics [1].

Political institutions are the organizations in a government that create, enforce, and apply laws. They often mediate conflict, make (governmental) policy on the economy and social systems, and otherwise provide representation for the population. Political regimes, Legislatures, Parties, Courts, Bureaucracies are the main types of Political institutions [2].

Political institutions are dynamic and interrelated systems that respond to various factors. Some of the common factors that shape political institutions are: psychological or cognitive traits, social environment, economic conditions, historical legacies, cultural diversity, geographical location, international relations, technological innovation, environmental challenges. There is no definitive or objective answer to which factor is most important for political institutions, as different factors may have different effects on different aspects of political institutions in different contexts and times.

Economic conditions refer to the material aspects, such as income, wealth, poverty, inequality, development, trade, and globalization, that affect how people produce, consume, and distribute resources in society. Economic conditions affect political institutions by influencing the resources and incentives available for political actors and organizations to pursue their interests and goals. For instance, economic growth can enhance the revenues and capacities of governments to deliver public goods and services, while economic crises can undermine the legitimacy and support of governments and increase the demands and protests of citizens [3].

Economic factors affect political institutions by influencing the preferences and expectations of citizens and voters regarding political institutions and policies. For instance, economic development can increase the demand for democracy or human rights, while economic inequality can create social discontent or polarization. Economic factors influence political institutions by creating opportunities and challenges for cooperation or conflict among political actors and organizations within or across countries. For instance, trade can enhance interdependence and integration among countries by increasing their mutual benefits and reducing their incentives to engage in wars, or globalization can induce protectionism and nationalism by increasing the competition and threats from foreign markets and cultures [4].

What we can't ignore is Geoeconomics which focus on how the spatial and temporal aspects of economic activities are shaped by the geopolitical economy of capitalism. Geoeconomics can influence political institutions by creating new forms of territoriality, sovereignty, governance and identity that challenge or reinforce existing political arrangements. Geoeconomics can also influence political institutions by generating new sources of conflict or cooperation among states and non-state actors over the access, control and distribution of economic resources and opportunities [5].

One of the examples of how the economy changes political institutions in China is the use of public-private partnerships (PPPs) for e-government development. PPPs have changed the relationship between local and central governments, as well as between public and private sectors. Through PPPs, local governments have gained more autonomy and influence in financing and managing infrastructure projects, sometimes at the expense of central government regulations or interests. PPPs have also introduced new modes of governance that require collaboration and coordination among various actors with diverse goals and values. Moreover, PPPs have affected the identity and legitimacy of both local governments and private companies, as they have become more involved in providing or governing public services. Another possible example of how the economy changes political institutions in China is the impact of economic reform and opening-up on the Communist Party of China (CPC) and its governance system. Economic reform and opening-up refers to the series of policies and measures adopted by China since 1978 to transform its centrally planned economy into a market-oriented one and to integrate with the global economy which means the adaptation and transformation of the CPC, which sought to maintain its legitimacy and leadership by incorporating new social forces into its ranks, promoting intra-party democracy and meritocracy, strengthening anti-corruption efforts, and enhancing its responsiveness and performance.

This paper has demonstrated that economic conditions have significant and complex impacts on political institutions at various levels and dimensions. Economic factors can shape the preferences and expectations of citizens and voters, the opportunities and challenges for cooperation or conflict among political actors and organizations, and the forms and functions of territoriality, sovereignty, governance and identity in the geopolitical space economy of capitalism. From what we have mentioned above, the conclusion can be drawn: the political regime is the most influenced by economic factors. Notwithstanding, these impacts are not deterministic or homogeneous across different cases and contexts. They depend on various factors that mediate the relationship between economic conditions and political institutions. Therefore, a careful and comprehensive analysis is required to understand how economic conditions influence political institutions in each specific situation.

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