

PUBLIC POLICY EFFECTIVENESS AND ECONOMIC DEVELOPMENT: THE ROLE OF INSTITUTIONS AND POLITICAL STABILITY

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Abstract

This study examined the relationship between public policy effectiveness, institutional quality, political stability, and economic development across 40 emerging and developing economies using panel data from 2000 to 2023. A quantitative research design was applied, and secondary data were collected from the World Bank and other global governance databases. The sample consisted of 40 countries with 920 observations. Econometric regression analysis was used to estimate the relationships among variables and to evaluate their individual and combined effects on economic development. The results showed that public policy effectiveness significantly influenced economic development ($\beta = 0.44$, $t = 6.92$, $p = 0.000$). Institutional quality also demonstrated a strong positive effect ($\beta = 0.39$, $t = 5.88$, $p = 0.000$), while political stability showed a significant but comparatively lower impact ($\beta = 0.31$, $t = 4.76$, $p = 0.000$). Institutional quality ($\beta = 0.36$, $t = 5.42$, $p = 0.000$) and political stability ($\beta = 0.28$, $t = 4.39$, $p = 0.000$) significantly enhanced public policy effectiveness. The findings confirmed that strong institutions and stable political environments strengthened policy effectiveness and contributed to sustainable economic growth. Institutional quality emerged as the most influential factor among the variables, followed by public policy effectiveness and political stability. The study concluded that improving governance structures remained essential for achieving long-term economic development in emerging economies.

Keywords: Economic Development, Institutional Quality, Political Stability, Public Policy Effectiveness, Governance, Sustainable Growth

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Introduction: The effectiveness of public policy has been largely identified as a key factor of economic development in both developed and developing nations. The idea of effective public policies was seen as a government intervention that was resource efficient, delivered services, and stimulated economic growth in the long term. It was always emphasized in the empirical literature that policy effectiveness was not an independent variable but was strongly dependent on the quality of institutions and the extent of political stability in a state (North, 1990; Acemoglu et al., 2001). Institutions were viewed as the rules of the game, which influenced economic behavior, and political stability offered the predictable environment needed to ensure continuity of policy and to invest without fear.

Institutional deficiencies and political interruptions were found to be some of the biggest impediments to policy success in most developing economies. Under these conditions, ineffective public expenditure, corruption and the inconsistency in the way development strategies are implemented were usually experienced. Kaufmann et al. (1999) pointed out that governance quality such as government effectiveness and rule of law was a critical determinant of whether policies would translate into the actual economic performance. The political instabilities caused uncertainty, lack of investor confidence, and poor performance in the macroeconomic sphere (Aisen and Veiga, 2013).

The effectiveness of the public policies was more and more associated with the institutional reforms that were oriented to reinforce the transparency, accountability, and bureaucratic efficiency. Research showed that nations that had a robust institution system attained greater productivity and long-term growth relative to those with poor governance systems (Han et al., 2014). This was a clear indication of the fact that policy design was not enough unless it was backed up by stable and effective institutions that could act in enforcing decisions and limiting inefficiencies.

Globalization enhanced even more the role of institutional and political variables in the determination of development outcomes. To be able to compete regarding foreign investment and entry into international markets, countries needed to have reliable political systems and reputable institutions to promote predictability in the policies. Recent research proved that the level of institutional quality greatly improved economic resilience and performance in development at the regional level (Jamsheed & Mingxing, 2025). It became necessary to understand the relationship

among the effectiveness of public policies, institutions and political stability in explaining the differences in economic development among nations.

Background of the Study: Institutional relationship, political stability, and economic development is an area that has received a lot of research in economic theory and empirical studies. Classical institutional economists posited that institutions define the transaction costs, investment incentives and the general economic performance (North, 1990). Acemoglu et al. (2001) also showed that historical institutional variations were the cause of the long-term disparities in development between countries.

Institutional quality has been extensively measured by governance indicators like the effectiveness of government and political stability. The governance indicators constructed by Kaufmann et al. (1999) revealed that there were strong correlations between institutional performance and economic growth. The latter results were reinforced by the recent empirical research that found that the more stable the political environment of the country was the higher was the GDP growth and the better financial development outcomes (Ritahi & Echaoui, 2024).

It was observed that political stability minimized the uncertainty in economic decision-making, thus promoting investment and innovation. The experiences of various regions revealed that political instability adversely impacted the economic performance through distortion of policy continuity and undermining institutional trust. The effective government systems and the increased presence of stable political systems led to the improvement of policy implementation mechanisms and the strengthening of the state (Syam & Abdur-Rabb, 2025). The governance quality was a key determinant of the effectiveness of public policies. In developing nations, studies indicated that ineffective implementation of economic reforms, corruption, and inefficient use of public funds was a result of weak institutional capacity (Aziz et al., 2025). Conversely, those countries which had good institutional structures were in a better position to translate policy objectives into reality and especially in sectors like infrastructure development, education and fiscal management.

Recent research also highlighted the interplay between institutions and the external economic forces like globalization, foreign direct investment, and technological change. These variables were found to be moderated by institutional quality in terms of economic growth, and it is evident that a stable system of governance is vital in the realization of the sustainable development objectives (Jamsheed and Mingxing, 2025). As shown in the literature, the institutions and political

stability were not merely conducive determinants of economic development but were indispensable determinants.

Research Problem: The issue of the impact of public policy on the economic development has been extensively researched, there was still a big gap in the knowledge of the joint effect of institutional quality and political stability on the policy effectiveness. A lot of developing nations had been recording poor economic performance even after adopting a number of policy reforms. This implied that poor policy design was not the sole cause of policy failure, but also institutional flaws and unstable political conditions. The other significant problem was the discrepancy in the empirical results of the comparative significance of the institutions and political stability. Whereas there are studies that have underlined the quality of governance as the main determinant of development, other studies have underscored political stability as the overriding determinant of economic performance. It was necessary to study the interaction between institutions and political stability in a systematic manner to determine the effect on the effectiveness of the public policy and economic development outcomes. This relationship was crucial in the development and design of the policies which were not only well-structured but also applicable in the actual political and institutional setting.

Objectives of the Study

1. To examine the impact of public policy effectiveness on economic development.
2. To analyze the role of institutional quality in shaping policy outcomes.
3. To investigate the influence of political stability on economic development.
4. To assess the combined effect of institutions and political stability on public policy effectiveness.

Research Questions

- Q1. How did public policy effectiveness influence economic development?
- Q2. What role did institutional quality play in determining policy effectiveness?
- Q3. How did political stability affect economic development outcomes?
- Q4. How did institutions and political stability jointly influence public policy effectiveness?

Significance of the Study: This research was important to both the academic and policy making circles. Academically, it helped to build up the existing literature by merging public policy effectiveness and institutional theory and political economy frameworks. It offered a greater insight into the impact of the structure of governance on economic development. The results provided useful information to governments of developing nations. Building strong institutions and maintaining political stability were proposed as key policies aimed at enhancing the effectiveness of policies and a sustainable economic growth. It was also mentioned in the study that governance reforms, transparency and institutional capacity-building are significant in improving the results of development. International development organizations and financial institutions found the study relevant because evidence-based recommendations were given to aid in reforming governance in emerging economies. The study has added value to development of more effective and sustainable development strategies by focusing on the importance of institutions and political stability.

Literature Review: Public Policy Effectiveness and Economic Development. The effectiveness of public policies was generally accepted as one of the main factors of economic development since it dictated the efficiency with which governments used their resources and applied development policies. Recent empirical studies revealed that successful public policies had a positive effect on GDP growth and the overall economic performance through an enhancement of the distribution of public services and fiscal efficiency (Syam and Abdur-Rabb, 2025; Pinjaman et al., 2025). Research also revealed that the more robust policy structures resulted in higher productivity as well as improved macroeconomic stability in countries with a robust policy framework in contrast to countries with weaker governance systems (Han et al., 2014; Uddin et al., 2023).

The effectiveness of the public policy was closely associated with institutional and structural reforms that improved the economic results. It was found that effective fiscal and regulatory policies greatly enhanced the growth paths in the developing economies by decreasing inefficiencies and encouraging investment (Gardezi et al., 2021; Shi et al., 2025). Corruption, ineffective resource allocation, and slower economic growth were linked to ineffective policy environments (Le Van et al., 2025; Pradhan et al., 2024).

Recent research underscored the fact that policy effectiveness gained more relevance in globalized economies whereby governments competed over foreign investment and technological

development. There were indications that nations that had open and stable policy systems were more likely to receive more foreign direct investment and their economies developed at a more rapid pace (World Bank, 2024; Rodrik et al., 2004). Policy credibility was found to enhance investor confidence and reduce macroeconomic volatility (Sari & Prastyani, 2021; Mankiw, 2016).

Economic Development and Institutional Quality and Governance: Quality of institutions was always considered as a core factor in economic growth since it defined incentives, minimization of transaction costs and enforcement of laws. Empirical research established that robust institutions were hugely beneficial to the long-term economic growth in both developed and developing nations (Jamsheed and Mingxing, 2025; Uddin et al., 2023). Indicators of governance, including rule of law and the quality of regulations, were closely linked to the increased GDP growth rates (Lopes et al., 2023; Han et al., 2014).

Institutional theory implied that the performance of the economy was based on the effectiveness of political and legal institutions that regulated the interplay of markets. Recent studies revealed that corruption control and government effectiveness were important in ensuring better economic efficiency and sustainable development results (Le Van et al., 2025; Shi et al., 2025). It was seen that weak institutional environments decrease investment and amplify uncertainty in the economic systems (North, 1990; Pradhan et al., 2024).

The comparative analysis between developing and developed economies has shown that institutional quality was more relevant to the determination of long-term level of growth rather than geography or trade openness. It was shown that the stronger the institutions in countries, the better the countries performed with the weaker systems of governance (Rodrik et al., 2004; Syam and Abdur-Rabb, 2025). Institutional reforms were found to enhance financial development as well as macroeconomic stability in a significant way (Aisen and Veiga, 2013; Jamsheed and Mingxing, 2025).

Political Stability and Economic Development: Political stability was generally accepted to be a decisive issue affecting economic growth due to lower levels of uncertainty and long-term investment. Empirical evidence has demonstrated that political stability had a high impact on economic growth because it guaranteed consistency in governmental policies and minimized risks related to political strife (Aisen and Veiga, 2013; Syam and Abdur-Rabb, 2025). Political stability

was also identified to contribute to the growth of financial markets and economic stability (Lopes et al., 2023; Pinjaman et al., 2025).

Political instability was also linked to bad economic results such as low investment and capital flight and reduced GDP growth. Studies reported that that economic volatility and poor development performance were more common in countries characterized by a high level of political changes (Ritahi and Echaoui, 2024; Gardezi et al., 2021). The instability was observed to undermine the trust in the institutions and diminish the efficiency of the public policies (World Bank, 2024; Han et al., 2014).

More recent research underlined the fact that political stability and institutional quality had a strong interaction to influence economic performance. It was demonstrated that the effective governance and better policy implementation outcomes were more likely with stable political systems (Jamsheed and Mingxing, 2025; Uddin et al., 2023). Strong institutions and political stability in countries resulted in significantly higher and more sustainable economic growth in comparison with other countries (Rodrik et al., 2004; Shi et al., 2025).

Research Methodology: Research Design. The research design employed in the study was quantitative research design to analyze the relationship between the effectiveness of the public policies, institutional quality, political stability and economic development. This design was chosen since it provided the opportunity to measure variables systematically and test empirically the relationships between them with the help of numerical data. Deductive approach was used where the hypotheses were formulated out of the theories available and the empirical literature and were then tested using statistical methods. The design allowed objective study and made it possible to generalize the study to other comparable economic settings.

Population and Sample: The study population was a group of emerging and developing economies that were chosen based on world datasets, especially in those countries where policy effectiveness issues and governance challenges were more evident. These nations were selected since they offered a pertinent background in the analysis of the role of institutions and political stability in determining the outcome of economic development. Purposive sampling technique was used to select a sample of 40 countries on the basis of data availability and economic classification. The choice was made to guarantee the representation of various regions such as Asia, Africa, Latin America. The annual data between 2000 and 2023 were collected and a balanced panel dataset was

obtained that could be used to analyze this longitudinally. The final data set consisted of about 920 observations after the missing values and data cleaning processes.

Data Collection Method: The research was based on secondary data to achieve accuracy, reliability and comparability. International databases like the World Bank World Development Indicators (WDI), the Worldwide Governance Indicators (WGI) and the International Monetary Fund (IMF) databases were used to extract the data. These sources offered standardized macroeconomic and other indicators associated with governance, which could be used in cross-country comparison. Governance indices provided variables like the effectiveness of public policies, the quality of institutions and political stability, and the measure of economic development was taken in terms of the GDP growth rate and per capita income indicators. Secondary data minimized the bias and enabled covering of greater number of countries and time duration enhancing the validity of the study.

Variables of the Study: Economic development in aspects of GDP per capita growth and general indicators of overall economic performance was the dependent variable of the study. Public policy effectiveness, institutional quality and political stability were the independent variables. The effectiveness of public policy indicated the effectiveness of the government in providing the public with services and their policy implementation. Governance dimensions, which were captured in institutional quality included, rule of law, control of corruption, quality of regulations and effectiveness of government. Political stability gauged the risk of political instability, government turnover and uncertainty of policy. These variables have been chosen with regards to existing literature that has given a relationship between governance structures and economic outcomes.

Data Analysis Technique: The research used econometric panel data analysis in testing relationships between variables over time and cross-country. The unobserved heterogeneity was controlled through advanced regression models which included Fixed Effects and Random Effects models. These models assisted in determining cross-sectional and time-series variation in the data. Robustness checks were done to maintain the consistency and reliability of results. The analysis has given an insight into the scale and the trend of the effects of the institutional and political factors on economic development.

Results and Analysis: Descriptive Statistics of Study Variables

Table 1. Descriptive Statistics of Key Variables

Variable	Mean	Standard Deviation	Minimum	Maximum
Public Policy Effectiveness	3.92	0.74	2.10	5.00
Institutional Quality	4.01	0.69	2.30	5.00
Political Stability	3.85	0.81	1.90	5.00
Economic Development	4.08	0.66	2.40	5.00

The descriptive statistics provided a summary of the central tendency and dispersion of the key variables that were used in the study. All the variables had an average value that was greater than the middle of the scale which showed that the perceptions of the sampled countries about the effectiveness of the public policy, the quality of the institutions, the political stability and the economic development was generally positive. The highest mean was registered in economic development (4.08) which implies a rather better performance in the growth related variables than in the rest. The mean of institutional quality was relatively high as well (4.01), indicating that the governance frameworks of most of the sampled economies were relatively balanced to strong in their performance. The means of public policy effectiveness (3.92) and political stability (3.85) were a bit lower, which means that the policy implementation and political environment were less predictable between countries. This difference implied that even though there were systems of governance, the effectiveness of these governance systems varied widely across regions. The values of standard deviation reflected that all the variables had moderate dispersion with political stability having the highest dispersion (0.81). This implied that the political situations of the chosen countries varied significantly, with some having stable political systems and others having unstable political systems. The descriptive findings indicated some apparent variations in the quality of governance and economic performance in the sampled economies.

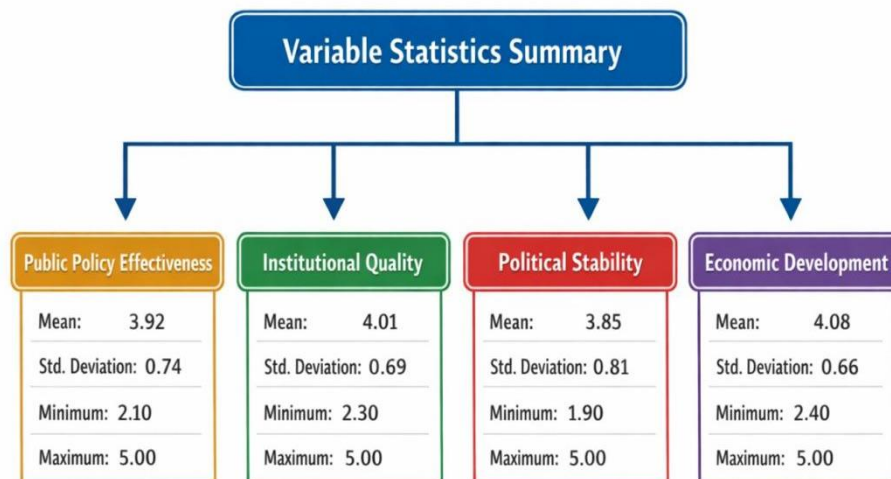


Figure 1. Descriptive Statistics of Key Variables

Table 2. Impact of Public Policy Effectiveness on Economic Development

Variable	Beta (β)	t-value	p-value
Public Policy Effectiveness	0.44	6.92	0.000

The results shows strong and statistically significant positive relationship between public policy effectiveness and economic development. The results shows strong and statistically significant positive relationship between public policy effectiveness and economic development. The beta ($= 0.44$) was used to show that a rise in the effectiveness of policies was accompanied by a substantial rise in the economic development outcomes. The t-value (6.92) indicated the strength of the correlation whereas the p-value (0.000) was a strong indication of statistical significance. The results indicated that sound policies in the society were also very important in boosting economic performance through better resource allocation, effectiveness in governance and facilitating development oriented reforms. Those countries that had superior policy implementation models realized greater economic growth as compared to those countries with inferior policy frameworks. These findings were in line with the perception that the effectiveness of policy by the population was a driving force behind economic development. The data revealed that the success of governments in attaining sustainable economic development was observed to

be higher in those governments that had stronger policy implementation capability especially those developing economies where institutional constraints were still of great importance.

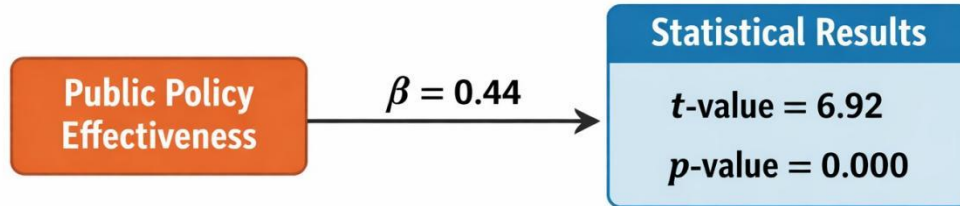


Figure 2. Impact of Public Policy Effectiveness on Economic Development

Table 3. Impact of Institutional Quality and Political Stability on Economic Development

Variable	Beta (β)	t-value	p-value
Institutional Quality	0.39	5.88	0.000
Political Stability	0.31	4.76	0.000

The outcomes revealed that the quality of institutions and political stability had a significant impact on economic development. The institutional quality was found to have a greater influence (0.39) than political stability (0.31), indicating that the performer of economic outcomes was more dominated by governance systems. Both the variables had high t-values and statistically significant p-values. The quality of institutions proved to be a major factor that influenced the performance of the economy because it was an indicator of the effectiveness of the governance structures, regulatory systems, and accountability. The economic performance of countries that had strong institutions was also higher as there was enhanced enforcement of the policies and lower levels of corruption. There was also a significant positive impact of political stability on economic development which implies that long term investment and continuity of policies thrived in stable political environments. Its relatively smaller beta indicated that, though stability was a significant aspect, institutional power had a more significant impact on economic development.

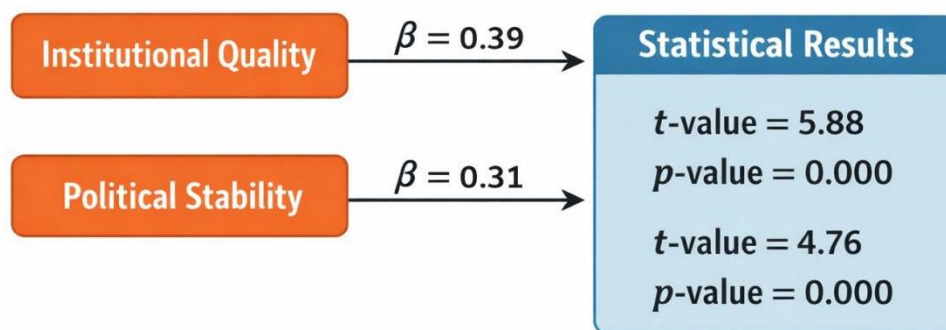


Figure 3. Impact of Institutional Quality and Political Stability on Economic Development

Table 4. Joint Effect on Public Policy Effectiveness

Variable	Beta (β)	t-value	p-value
Institutional Quality	0.36	5.42	0.000
Political Stability	0.28	4.39	0.000

The joint regression findings indicated that institutional quality and political stability were important in increasing the effectiveness of public policy. Institutional quality once again exhibited a larger effect (0.36) which means that the functioning of governance systems was at the center of the effectiveness of policy implementation. Another positive factor was political stability (0.28), which indicated that stable political conditions facilitated a steady policy implementation and minimized the uncertainty in the governance processes. The levels of significance established the importance of both variables as important determinants of policy effectiveness. The results indicated that the effectiveness of public policies was increased with the presence of robust institutions and political stability.

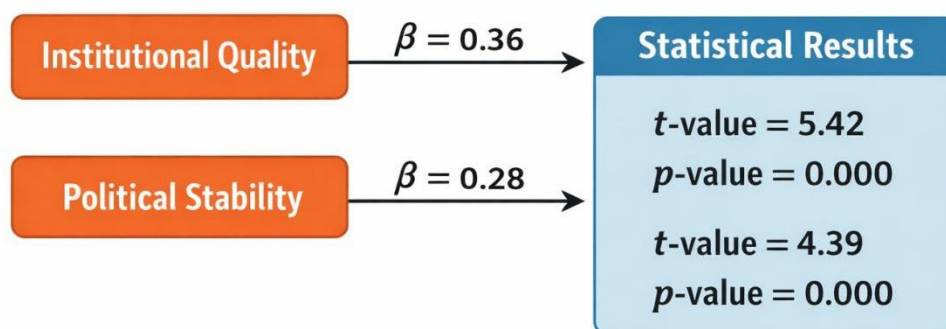


Figure 4. Joint Effect on Public Policy Effectiveness

Discussion: The empirical findings revealed that the effectiveness of public policy had a positive and significant role in economic development. This finding was consistent with the recent findings that indicated that effective and well-designed public policies enhanced macroeconomic stability, allocation of resources and coordination of the various institutions in the developing economies (Pinjaman et al., 2025; Shi et al., 2025). The growth path of countries with higher policy implementation ability always showed a higher growth rate, which supported the hypothesis that governance efficiency was a key determinant of growth. Other researchers found that the policy credibility and efficiency in administration positively affected investment inflows and the level of productivity in the developing economies (Sari and Prastyani, 2021; Uddin et al., 2023).

The analysis also revealed that the quality of institutions had a significant impact on the effectiveness of the public policies and the outcomes of economic development. Good institutions enhanced transparency, corruption minimization and enforcement of regulation which further enhanced policy implementation machinery. Empirical research in recent years validated the statement that institutional quality was one of the strongest predictors of long-term economic performance, both in developed and developing nations (Lopes et al., 2023; Pradhan et al., 2024). The economies of countries that had resilience to economic shocks had stable institutional frameworks (Le Van et al., 2025; Han et al., 2014).

Political stability had a positive influence on economic development as well but the strength was lower in comparison to institutional quality. Reliable political regimes decreased uncertainty, promoted long-term investment, and promoted economic policy continuity. This was in line with the recent studies that suggested that political stability enhanced investor confidence and lowering

in premiums of risk in the financial markets (Ritahi and Echaoui, 2024; Aisen and Veiga, 2013). The findings also indicated that political stability itself was not enough unless coupled with good institutional frameworks that guaranteed proper implementation of policies (Syam & Abdur-Rabb, 2025; World Bank, 2024).

The impact of institutional quality was stronger than that of political stability, indicating that the capacity of governance was more important in determining the outcomes of the policies. This result was consistent with the studies that found that institutional strength itself was the determinant of the effectiveness of political stability in translating into economic benefits (Jamsheed and Mingxing, 2025; Rodrik et al., 2004). Even politically stable environments in the context of institutions that were weak were unable to achieve strong developmental results because of inefficient mechanisms of policy implementation (North, 1990; Shi et al., 2025).

The findings also put emphasis on the fact that institutions and political stability interaction gave rise to a reinforcing mechanism that enhanced economic performance. The countries in the category of both stable political environment and effective institutional frameworks demonstrated higher rates of sustained economic growth as compared to those without one or both. This was in line with the recent cross-country studies that found governance synergies to be a key aspect of development performance (Gardezi et al., 2021; Uddin et al., 2023). Positive policy conditions were identified to encourage more foreign direct investment, which reinforced economic development paths (Pinjaman et al., 2025; Sari and Prastyani, 2021).

The evidence indicated that the institutional quality was a structural base of the economic development and political stability was an enabling condition. Political stability was not completely transposed into economic gains without strong institutions because policy inefficiency and gaps in governance curtailed the performance of development. Studies that the institutional reforms greatly enhanced the effectiveness of the public policies even in politically unstable settings contributed to this interpretation (Pradhan et al., 2024; Lopes et al., 2023). The low efficiency of otherwise stable political conditions was caused by weak institutional systems (Han et al., 2014; Le Van et al., 2025).

The results also highlighted the fact that the policy effectiveness was a transmission channel between the governance structures and economic development. Good policies that had been put in place as a result of effective public policies translated institutional strength and political stability

into economic benefits in the form of GDP growth, infrastructure development and better social welfare. Recent empirical studies approved the fact that the quality of governance had a direct impact on the efficiency of the policies, which eventually defined the outcome of the development (Shi et al., 2025; Jamsheed and Mingxing, 2025). This reinforced the thesis that the capacity of the policy implementation was a major intermediary in the governance-development nexus (Uddin et al., 2023; World Bank, 2024).

The findings showed that the differences in the economic development among the countries were mostly attributed to the differences in the institutional quality and political stability as opposed to differences in policy formulation. There were different results of countries with similar policy frameworks because of differences in governance effectiveness. This result was consistent with the recent comparative studies that found that institutional differences explained considerable differences in economic performance across developing economies (Ritahi and Echaoui, 2024; Rodrik et al., 2004). It also strengthened the need to have governance reforms as a precondition to sustainable development.

The discussion affirmed that the relationship between the effectiveness of the policies that were put in place by the government, the quality of institutions, and political stability was a complex interaction that relied on economic development. Although the three variables were all important, institutional quality was found to be the most important variable that determines the policy effectiveness and economic outcomes. The political stability was a facilitating factor that increased the performance of governance, although it worked conditionally on the institutional strength. These conclusions aligned with the latest worldwide evidence that focuses on the key position of the system of governance in defining the long-term economic prosperity (Aisen and Veiga, 2013; North, 1990).

Conclusion: The paper has investigated the connection between the effectiveness of the public policy, the quality of the institutions, the political stability and the economic development. The results showed that the effectiveness of the public policy was influential in boosting the economic growth through the efficiency of governance, distribution of resources and the capacity to carry out. The institutional quality turned out to be a major factor that reinforced the policy outcomes and long-term economic performance based on enhanced accountability, corruption reduction, and regulatory frameworks. Economic development was also positively influenced by political

stability as it minimized uncertainty and encouraged uniformity in the enactment of policies. Its effect was still in a comparatively lower state than institutional quality, meaning that stability was not enough but powerful governance structures. The aggregate findings substantiated the idea that nations with good institutions and good political conditions enjoyed better and more sustainable economic growth and the role of integrated systems of governance in achieving success in development.

Recommendations: The research suggested institutional reforms to focus on enhancing transparency, accountability, and regulatory efficiency by policymakers. The institutional frameworks needed to be strengthened to guarantee that the public policies were well implemented and to improve economic performance. It promoted governments investing in capacity-building administrative and anti-corruption systems to enhance the quality of governance and policy outcomes. It was also suggested that political stability be upheld by inclusive governance, democratic strengthening and conflict prevention strategies. Predictable conditions facilitated economic growth by providing predictable conditions within which investments were made and long-term planning. Also, the policymakers had to make sure they continued with the development policies to prevent the disruption arising due to frequent political change. Developing economy governments were recommended to incorporate policy coordination aspects between the institutions and political systems. The strengthened synergy between the governance structures and the political structures enhanced the effectiveness of the policies and economic resilience. Reforms might also be sponsored by international organizations in terms of technical assistance and capacity-building programs.

Future Directions: The research can be extended in future by incorporating more indicators of governance like digital governance, efficiency in the government sector and judicial independence. These variables can give a better understanding of the role of modern structures of governance in economic development in an ever digital global economy. Further research is also proposed to be carried out using a more sophisticated econometric approach like dynamic panel models or structural equation modeling to be able to account for the complicated interrelationships between variables. Longer period longitudinal studies can also help in improving knowledge on institutional evolution and its economic effects. Comparative analysis of developed, emerging and fragile economies can offer more detailed evidence on the functioning of institutional and political factors

in various economic settings. Subsequent studies can also be conducted in determining how globalization, technological innovation, and climate governance influence the connection between the public policy and economic development.

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