

Economic growth

[Literature](#), [Russian Literature](#)



Economic Growth Economic growth is known as the increase in economy's capacity in order to produce services and goods and is compared from a time period to the other. Economic growth is deeply interconnected with the political stability. Unstable political environment is associated with uncertainty that may result to investment reduction and the speed of economic development. Poor performance of economies may result to political unrest and collapse of the government. Countries that have high collapsing propensity of the government in time periods do have lower growth. This effect is very fundamental in the two types of considered changes in government. The resultant turnovers are as a result of lack of low income growth that is contemporaneous and is not found in government change propensity that is also contemporaneously increasing. (Russett, Starr and Kinsella)

Economic growth results to a middle class that is educated and entrepreneurial which soon or later strives for control over the country's fate. This ends in the acceptance and giving in by the repressive government in place. The progression in most of the countries that are democratic is not pegged to economic growth after their democratization. Among democracies that are already existing and established, a high growth rate is as a result of stability as a result of liberal democracy. Greater prosperity alone doesn't result to political freedom of a greater degree. However, the benefits of economic development are reaped through invasion of pressure to political control relaxation. The connection between liberal democracy that is emerging and economic growth lies in sophistication growth of authoritarian governments.

Democracy has a minimal impact on economical success to countries that practice it. All the successes in economy are propagated under the political regime that is undemocratic. Many of them developed as a result of state capitalism and centralization which is different from economic liberalization. This is as a result of policy which directly achieves rapid growth in third world countries. This is done through the creation of protective tariffs around the country's nascent ship-building and automotive industries. Economies succeed through economic liberation adoption, this process usually occurs under political system that is authoritarian. This type of system always associates to military coup in democratic overthrow of elected government. Democratic states that are developing are usually undermined by economic liberation. This is because of the result of trade deficit by the process hence capital flight. This happens due to lack of efficiency by domestic industries to compete well with the foreign business. This happens particularly with multinational corporations that can produce services and products at prices that are low. This results to consequences such as currency devaluation, "brain drain" which is known as the emigration of skilled workers and also debt dependency.

The other model that democracy struggles to follow is known as protectionist development. This is seen by the laborers organizing themselves in a political manner. These organizations are in the form like trade unions and they use strikes as a way to effect their economic right to a greater level. This strategy undermines the export model implementation in an effective manner. Generally, the key to success in these strategies that are microeconomic boils down to political approach that is unified.

Works Cited

Russett, Bruce, Harvey Starr and David Kinsella. World Politics: The Menu For Choice. Ninth

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