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POLITICAL STABILITY - A CONDITION FOR SUSTAINABLE GROWTH IN ROMANIA?

Abstract:

Political stability is a variable of great importance in a country's evolution since, across time, it was identified as causing low level of economic growth, but also it was presented as a consequence of poor economic development. The purpose of this paper is to analyze the influence of political stability on economic growth in Romania and to conclude in what extent this political factor is a condition for a future and continuous sustainable growth in our country. By using statistical and econometric approach (correlation and multivariate regression) we conclude that political stability has an important role in a country's economic growth and that a stable political environment helps in building a coherent and continuous path for sustainable development.

Keywords:

Economic growth, political stability, rule of law, sustainable growth

JEL Classification: E00, H11, P16