NEWLY ASSERTIVE AUTHORITARIAN REGIMES AND PERSONALIST BIAS: EXAMINING INVESTMENT AS A FOREIGN POLICY CHOICE BY MAJOR AUTHORITARIAN POWERS, 2000-2019

BY

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ABSTRACT

The stereotypical view of how authoritarian regimes operate has changed in the last few decades since the end of the 20th century. Personalist regimes have become much more common; however, not as much information exists on how they operate compared to other authoritarian regime types. Personalist regimes have seemingly gotten a biased level of investment from major authoritarian powers in the past few decades, despite arguably more significant threats of instability. This research project intends to understand whether major authoritarian powers, in this case China and Russia, have a bias for personalist regimes in allocating their foreign direct investment. A possible explanation for this potential relationship is that these regimes seek greater authoritarian foreign direct investment to stave off threats of instability and avoid governance pressures that often come with investment from democracies. This study concludes that there is unlikely to be any sort of significant bias for investment into personalist regimes. Rather, regional trends seem to be a stronger explanation of investment bias

than regime type in any capacity. Follow-up research is focused on examining the regional relationship that does exist, and whether it has any links to the domination of personalist regimes within the high investment region of West Asia. Personalist regimes and their external relations also require deeper analysis due to the characteristics that make them different in daily operations compared to other authoritarian regimes.

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Introduction

In recent decades, global democratization trends have slowed down, especially in the developing world, where personalist regimes can supplant some newly founded democracies or authoritarian states. While the number of authoritarian states has, for the most part, declined since the early 1990s (Bjørnskov and Rode 2019, 531), the number of personalist-style regimes has grown as a proportion of the authoritarian states (Tolstrup and Souleimanov 2019, 2). Personalism is defined by as an authoritarian state whose systems and policies are governed by a small group or individual ruler whose methods of political control flow effortlessly between official aspects of governance, and depending on personal undisclosed dealings with all manner of elites in the country. Many authoritarian regimes have demonstrated an increased ability to maintain themselves, and many of those regimes have been targeted for heavy investment by the significant authoritarian powers. Furthermore, the same authoritarian regimes turn more towards one another, as their personalist characteristics provide more beneficial collaboration than with other more democratic and institutionalized countries (Ivre, Petersson, and Lee 2020, 40).

When examining the investment by the significant authoritarian powers, researchers are aware of the potential liberalization of authoritarian regimes caused by trading with liberal powers, as strengthening of authoritarian systems by dealing with fellow authoritarians.

Liberalization as a term has a rather loose definition in many of the readings, but most coalesce around the following. Liberalization is “comprised of a reduction in the state’s economic role, recognition of private economic liberties and a stronger functioning of internal and external market mechanisms, as well as extending citizens’ opportunities for autonomous action away from the state by guaranteeing individual and collective civil rights” (Bustos 2003, 4). Liberalization is contradictory to the goals of personalist regimes that centralize power where possible and try to maintain the leader’s dominant position in the hierarchy of society. Investment for decades has been associated with the exchange of ideas and improving economic outcomes; however, little research has looked at whether a particular type of regime obtains a biased amount of investment from certain regimes, for instance, even though personalist regimes are frequently brought up as targets by massive investment programs from Russia and China, little research has focused on the topic (Escribà-Folch, Abel 2017, 732).

Economic investment as a tool of diplomatic pressure and cohesion has been a long-standing aspect of foreign policy. Even when not directly conducted by state actors, organizations and groups with ties with governments have been demonstrated time and again to conduct economic investments or policies that are in the interest of the state. Because of the history of the long-term relationship between economic investment and foreign policy, many scholars are quick to look for a replication of these effects from various types of regimes (Melnykovska, Plamper, and Schweickert 2012). In particular, Chinese investment into authoritarian regimes has been identified by scholars as “authoritarian reinforcement” (Bader 2015). However, the research leaves a gap for examining whether investment into particular types of authoritarian regimes is an active policy intention. Several notable examples have occurred where personalist authoritarian regimes obtain more funding than neighboring countries, seemingly regardless of the trends of stability (Escribà-Folch, Böhmelt, and Pilster 2019, 68).

Syria has been in a civil war for over a decade, yet it has received more investment than Jordan in the past two decades, and a nearly equivalent, yet slightly smaller amount, than nearby Iran, despite the much larger size, stability, and economic prospects of Iran (AEI 2021). While Iran and Jordan have had their fair share of political instability over the initial decades of the 21st century, the crises faced by those countries have been rather minor in comparison to Syria. Yet Syria has obtained considerable investment, suggesting that there exists more depth than typically assumed in Chinese investment patterns. This pattern is likely even stronger when considering Chinese and Russian investment combined (Al Jazeera).

The pattern seems illogical since personalist regimes are typically associated with few legal safeguards and potential instability compared to other regimes due to a lack of solid intuitions for power transitions. Personalist regimes have been significant investment targets even compared to other authoritarian systems. Additionally, personalist regimes have historically carried out policies that attempt to balance possible threats against one another to ensure political stability (Escriba-Folch, Böhmelt, and Pilster 2019, 565).

Depending too much on a particular major authoritarian power encourages developments that will could weaken the external sovereignty of the state. While being under the influence of another authoritarian power might be more attractive to the local political elite compared to losing power to democratization elements, it would still be preferable to maintain domestic sovereignty. Furthermore, if that influence turns out to be detrimental to the population, it can serve as an outlet for anti-government action against which it would be harder to justify repression. A result of that dependence becomes an outlet of attack for anti-government elements in society, which would seek to create wedge between the public and the ‘compromised’ elite associated with the authoritarian power. For example, in many authoritarian countries, the public would protest foreign support to indirectly critique the current regime, generating instability. That instability would then logically discourage investment from major authoritarian powers. Unstable countries are not safe investments for many purposes; additionally, it is a mystery why these states would be targeted more with economic investment than other authoritarian ruled states. Investment was typically associated with liberalization efforts, yet in many cases, it either had no effect or had the reverse results on liberalization. This study examines whether Russian and Chinese investment shows a bias towards ‘personalist authoritarian regimes’ in the past two decades, and if it does show bias, to understand why this development has occurred. Are major authoritarian actors self-interested in strengthening personalist authoritarian states? Russia and China for the most part get along with personalist regimes, since these states do not export values that might damage the standing of the major authoritarian powers.

Quantitatively analyzing the investment flows between major authoritarian powers and other nations will help us develop an understanding of investment and its impacts on regimes, as well as the strategies of major authoritarian regimes. We can better understand which regimes are likely to maintain their stability in the long term and the effects of investment on governance. These findings may also allow economic actors to make better calculations and decisions when investment opportunities in these countries appear. Understanding whether major authoritarian powers have a bias towards a particular type of regime also means we can develop a better framework for how authoritarian regimes interact with each other.

Chapter 1

Relationships between Major Authoritarians and the Linkages of Support

A nation being called “authoritarian” is a pretty general statement when discussing the types of regimes in power. Being "democratic" is also a rather broad concept. Various countries are considered liberal democracies, but the institutional systems of the collective group are incredibly different, and as a result, there is plenty of discourse over how each system performs against one another (Alon et al. 2020). When it comes to authoritarianism, we can ask similar questions, but first, it is essential to understand the various systems of authoritarianism. Russia and China are both centralized authoritarian states, yet how the two nations operate is quite different. China maintains a single-party authoritarian system that was created with a communist ideology that has changed over time, while the same mechanisms of party rule have been maintained well into the first decades of the 21st century.

Russia, on the surface, has many apparatuses needed for liberal democracy, elections, multiple parties running for office, and constitutionally defined rights. However, several conditions make Russia not a democratic system. Russia has a ”personalist" electoral authoritarian regime, with very high control by the President over economics and politics via both direct and indirect methods. The Russian regime maintains a significant number of linkages to informal yet powerful and insular groups. Putin, in particular, has demonstrated repeated but possibly deniable links to groups that are not nominally tied to the government, groups like private mercenary companies (Kim 2022) and other companies that control the Russian economy's ruling heights. While not tied to the government through written law, they are bound by the ‘personal’ relations the operators have with Putin (Gelman and Vladimir 2021).

Deciding which countries are personalist or not is difficult, due in large part to their informal systems of power; however, the aspect that is important for this study is that personalist regimes are a government system where most power in political life resides around a singular individual, or a tight group of members, at the cost of institutions and formal government structures (Bjørnskov and Rode 2019). What distinguishes personalist regimes from monarchies, single-party dictatorships, and military dictatorships is the lack of institutional markers that indicate how the ruling class exists and functions. Monarchies have codified inheritance systems that mark power, which shows a formalized method of power transference. In comparison, the military junta uses the apparatus of the military presence within the nation to organize power and allocate power. Single-party dictatorships organize the nation's politics around the party, whose internal mechanisms decide policy direction and practice (Tolstrup and Jakob 2019).

What has made "personalist" regimes so much more common is the exact reason why it is difficult to define which states are personalist: it is a feature of power dynamics that can occur in most states, regardless of their regime type. For example, many nations maintain semblances of a party system, yet many of those countries slipped into personalist regimes without any particular tilt towards an ideology of some type (Isaacs 2019). Research has examined the status of authoritarianism in Russia via the court system and demonstrated that a formalized ideological theory is not manifested in rulings (Trochev and Solomon 2018), much in contrast to China, which actively tries to impose stronger ideological dogma onto the public at large (Owen 2020).

Baturp and Eilink (2015) indicate that there is a significant difference in how states operate despite sharing an authoritarian nature on an internal level. An essential step differentiating a personalist regime from other autocratic regimes is the concentration of power in a ruler who, rather than depending on institutional systems, maintains control through informal means. Formal means of power through institutions are still present, but are used at leisure of the ruler, when it suits them. Often referred to as a "patron network," in the overall system various officials, government and not, have their interests balanced and considered by a singular leader through non-institutional means (Baturo and Elkink 2015). While authoritarian regimes all seek to maximize power, Personalist regimes differ primarily in that they aim to maximize the best outcomes from that "patron network" and will vary in practices and ideology over the years. Other authoritarian regimes, while self-interested, typically can and do create policies in the interest of a potential state ideology (Baturo and Elkink 2015).

Research has already examined whether there is a bias for party-ruled states regarding investment by China, noting that the nation has outlined an interest nominally for cooperation with party-based states (Brownlee 2020). Bader's (2015) research illustrates that Chinese investment does not cause states to transition to an authoritarian system, but it does help solidify regimes that attempt to do so. If a new authoritarian regime has been established, Chinese investment could follow to build up the performance of the new regime.

Major authoritarian powers have already demonstrated a political willingness to redirect their investment focuses, if the ruling government is interested, in order to gain influence. Researchers have found that, when a country joined the United Nations Security Council as a non-permanent member, those countries started to receive increased foreign direct investment from China, even after accounting for general increases in overall foreign investment by the Chinese government (Ma and Teng 2017). This article demonstrates that foreign direct investment is actively a part of political diplomacy in maintaining political goals. While similar research could not be found for Russia, the lack of a similar pattern is likely due to an inability rather than a lack of willingness.

Furthermore, research suggests that authoritarian states use economic cooperation to prevent threats of democratization and preserve the status quo powers present within the regime (Bader 2015). Scholars have also found that authoritarian regimes are not going out of their way to spread an "ideology," rather authoritarian states seem to group together for preservation and do not seem to be, for the most part, trying to export their romantic ideas or government systems. Instead, centralized authoritarian states seem more interested in pragmatic outcomes for their goals, they might not have a "desired" government in other countries beyond preventing democratization to their own country (Soest 2015). Brownlee (2020) also demonstrated the overriding interest of any state to be self-preservation of the ruling elite at the expense of ideological ideas or any other sort of goals.

Other research has focused on whether the significant authoritarian powers encouraged autocracy and whether economic cooperation was an avenue of autocracy promotion. Research on authoritarian spread via investment is seemingly limited, but a couple studies do suggest an indirect method of support for authoritarian states from foreign direct investment. Chinese investment was argued to be indirectly weakening liberal and, by extension, democratic organizers and western-aligned institutions within Central Asia. Since the investment from China weakens democratic organizers, Chinese investment is seen by both local authoritarians and major authoritarian leaders as outright better than investment from more democratic countries (Melnykovska, Plamper, and Schweickert 2012).

Personalist regimes are relatively dynamic. Use of this term and characteristics of personalism sometimes overlap with “patrimonialism.” While differing slightly in definition from personalist regimes, we can still use the scholar's findings about patrimonial systems to develop our understanding of the field further. "Patrimonialism" is a system of centralization around a singular individual, with a potential difference from personalist regimes in that the latter might have more complicated systems around the ruling autocrat. Collins's (2009) research is helpful because it focuses on cooperation between authoritarian states furthers explaining the paradoxical situation of economic cooperation leading to liberalization. Collins (2009) examined whether any progress has been made on economic collaboration and security cooperation during the post-soviet period in the Central Asia region. The states that make up Central Asia are nations that obtained independence following the collapse of the USSR, but were geographically isolated compared to the other former Soviet republics in Eastern Europe. Because of Central Asia’s isolation, they could not depend on western institutions or outside partners, with the exception of Russia and China. Because these states existed in geopolitical isolation, they provide an excellent case study of authoritarian regimes interacting with one another following the end of the Cold War. When it came to economic collaboration, efforts were non-existent, and the country's economic organizations were dependent on states like the Russian Federation. Findings suggested personalist regimes were much more cooperative when it came to security. Many of the Central Asian republics had interlocked security arrangements; cooperation though was entirely limited to the armed forces and the security apparatuses of the republics. Outside of the security agreements, there were no significant indicators of economic cooperation. Collins (2009) argued that the lack of stronger institutional systems for trade between the Central Asian republics was caused by autocrats' fear of liberalization. Liberalization fears were retained beliefs from the end of the USSR, when liberalized trade was cited to be the cause of the collapse of several authoritarian regimes. Many of the findings in Collins (2009) have lost their validity. Many of the republics in this study are parts of either the Eurasian Economic Union or the Shanghai Cooperation Organization and showed a greater interest in trade with other actors (Stockemer and Kailitz 2020).

Since the late 2000s, researchers have, for the most part, changed their perspective of the stability of authoritarian regimes undergoing economic development. Stockemer and Kailitz (2020) conclude that economic development assists the longevity of various authoritarian regimes, especially personalist regimes in the last decade. Economic investment is less significant for the stability of military dictatorships, monarchies, and other autocracies, except for one-party autocracies. One-party states are the only kind of system that seemingly loses out on stability when economic development comes (Stockemer and Kailitz 2020).

More recent research helps clarify some of the changes since 2010 in the politics of the Central Asian republics that were examined by Collins (2009. Folch (2017) articulates three possible and different claims regarding foreign direct investment (FDI). Foreign direct investment was commonly thought of as causing liberalization and, as such, weakening authoritarian regimes. Alternatively, FDI could not affect liberalization, and finally, it is possible that FDI can help strengthen an autocratic regime. Floch's (2017) research, combined with other articles mentioned, makes it clear that the traditional view that foreign investment encourages liberalization does not necessarily hold and, in many cases, FDI can strengthen authoritarian regimes' position. Thus, there might be a logic for the most unstable regimes to turn to significant authoritarian powers for investment in order to stabilize their regime. Furthermore, it might be helpful for authoritarian regimes to support these seemingly more risky nations, since their stability would become indirectly dependent on them via FDI and reinforce their entrenched influence (Folch 2017).

Additional studies focused on understanding why economic cooperation had increased in Central Asia, but as well as between other authoritarian powers compared to when Collins (2009) wrote have focused on how perspectives from authoritarian states have changed. Cooperation with other states is typically not desired by states that want to present an image of independence. The investment interest of Russia and China is primarily driven by natural resources. In contrast, recipient countries have an incentive to balance sources of investments against each other and ideally maintain as much sovereignty as possible. Many personalist authoritarian powers do not have strong alternatives to Moscow or Beijing, meaning that they are essentially forced into economic cooperation with the more significant authoritarian states. Egorycheva’s (2019) research helps us better understand personalist regimes and might suggest that, while sovereignty is essential to personalist regimes, maintaining power hierarchies is more important.

General examinations of relations between the two major authoritarian powers of Russia and China have found that intergovernmental organizations have, in some capacity, played a role in authoritarian power making. Ferdinand (2007) examines how China and Russia have pursued numerous mutual economic actions through the Shanghai Cooperation Organization, which helps serve as an institutional framework for such policies. Furthermore, Ferdinand (2007) elicits that free trade, in this case, is beneficial, since, many nations in the organization are willing to engage with free-market reform if it means no increase in political liberalization practices (Ferdinand 2007).

Research has also examined the relationships between Vladimir Putin and the various rulers of Central Asian republics through personal economic involvement. Unlike other parts of the former Soviet Union, the relationship between Russia and Central Asia is mostly stable, and the author argues that this is partly due to the personal relationships and investments Russia has made under the Putin regime (Maximilian 2020). While focused on the Russian side of the relationship, the article makes an interesting argument that personalist regimes are significantly more influenced by interpersonal relations between the state leader and foreign actors. While Russia might be the main actor in this context, it is entirely possible that other countries in other regions might try to exploit direct personal relations to ensure political stability (Maximilian 2020). In particular, there is reason to believe that such a relationship will be replicated in regions with several personalist regimes as a sort of 'ideological' alliance parallel to other historical examples of authoritarian alliance blocs.

Yilmaz (2020) examined relations between China and a more recent addition to the list of personalist regimes, Turkey. Like the personalist regimes of Central Asia, Turkey has had much greater involvement with China since it started to become more authoritarian.

Additionally, much like the economic cooperation elsewhere, foreign investment from China intends to assure the long-term stabilization of the Turkish regime and lower Turkey's dependence on countries that might encourage liberalization (Yilmaz 2020). This research is helpful, since it furthers our understanding of the role that investment by authoritarian powers can have on one another. Unlike the previous cross-national research that focused on investment and its stabilizing or destabilizing influence on regimes, Yilmaz's study takes a deep focus on a single case.

Examining the relationship between economic investment and stabilization in authoritarian regimes is crucial in understanding how authoritarian regimes of all types operate. Gerschewski (2013) argues that authoritarian states depend upon three pillars of internal control - legitimation, repression, and co-optation, - and mismanagement of these three pillars results in regime collapse. Legitimation refers to whether or not the state can fulfill its general promises to the citizens, since states cannot sustain themselves by repression forever. Co-optation is bringing in new leaders to the ruling state while also preventing anti-authoritarian movements from developing. Authoritarian states typically were fearful of trade even if it made legitimation easier by helping to improve quality of life, because such policies were perceived to bring liberalization pushes (Gerschewski 2013).

Wright and Bak's (2016) perspective demonstrate how natural resources can be used to strengthen the tools of state stability brought up by Gerschewski's (2013). Investment providing non-taxed-based revenue typically can shore up the regime strength since they can avoid depending on the public, meaning authoritarian state's stability is dependent on a smaller portion of the overall population. Political mobilization against the regime is still a threat like in other regimes, but the capability of the states to act is less hindered by internal action and unrest. This article illustrates why economic investment can be highly beneficial in authoritarian regimes resisting persistent threats from the public (Wright and Bak 2016).

Research into why authoritarian nations have increased economic cooperation has been on the rise in recent decades. The Eurasian Economic Union is an agreement that, on paper, is intended to be similar to the European Union without serious democratization commitments. Typically such unions encourage economic liberalization, which is seen to be counterproductive to regimes maintaining their rule. Kudaibergenova (2016) argues that such economic cooperation helps preserve the state's legitimacy and ensure long-term stability, since the prominent leader of the Eurasian Economic Union, the Russian Federation, is also an authoritarian personalist state. When interviewing political elites in Kazakhstan and Kyrgyzstan Kudaibergenova (2016) found most supported integration into the Eurasian Economic Union for the sake of political stability rather than strictly economic development. Libman and Obydenkova (2018) reflect many of the claims Kudaibergenova (2016) makes, articulating that organizations like the Eurasian Economic Union and general economic cooperation serve as a stronger assurer of long-term political stability, meaning that the personalist regimes of the region are more likely to be able to resist democratization pressures.

In recent decades, authoritarian governed and managed organizations such as the Shanghai Cooperation Organization and the Eurasian Economic Union have demonstrated a lack of interest in domestic politics of neighbors that do not appeal directly to economic cooperation. Wang (2020) notes that these organizations do not have much institutional depth and do not have the same set of development goals or interest in any particular set of goals that western organizations do. Prioritization of trade between authoritarian powers has been noted, and, while the possibility for stronger institutional development is possible, it is not being pursued by the authoritarian states. Essentially, cooperation among authoritarian states has so far been kept at such a length from domestic powers that it serves only the most basic of economic interest, unlike cooperation among more democratic countries (Yilmaz et al. 2020).

When some nations do end up having to depend upon authoritarian powers in non-economic spheres, they are typically hesitant and try to balance the influence of great powers against one another (Mijares 2017).

Chapter 2

Old and New Regimes, Investment by Major Authoritarian Powers

Major authoritarian states, such as Russia and China, could be more interested in investing in personalist regimes due to the nature of that regime type, where institutional constraints are not as determining as relationships with the leaders. In order to determine whether there is a bias in the investment patterns of major authoritarian states in personalist states, a multivariate regression will be conducted. If there is a relationship between investments and personalist regimes, further examination will be done to see whether stability, rather than personalism, is the explanation for the biased relationship. If any of the control variables demonstrate significance during the regression, a follow-up analysis will be conducted to tease out possible answers. These methods can help suggest further research on the potential that investment from major authoritarian powers favors personalist regimes.

The data used for this study is compiled from several sources, starting with political regime types from the Geddes Autocratic Regime dataset (2014). Economic data was taken from the national banks of Russia and China (2020) as well as several independent backup sources such as CEIC (2019) and American Enterprise Association (2020). Datasets were selected for their credibility, and whether they had complete data for usable variables.

The Geddes dataset provided the list of autocratic regimes of countries with population over a million, the regime's duration (years of a regime taking and leaving power), and the regime's type of authoritarianism. Clarifying the regime type is important since this study is examining the relationship between personalist regimes and major authoritarian powers. The regime type 'personalist' is thus the main independent variable of the regression. The Geddes data (2014) covered years from 1946 through 2010, and in some cases, when the data was available, the period covered extended through 2019. The extensions were made by me and were based on the same parameters that Geddes outlined for the countries in previous years of the study. The end-point of 2019 was selected because it is the last full year before the Covid-19 pandemic and well before the Russian invasion of Ukraine in 2022, both major events that have likely changed the parameters of investment by major authoritarian powers.

The economic values were collected from the national banks of Russia (2020) and China (2021) and capture the total investment from both nations into every country available. With both the economic data and Geddes political regime dataset (2014), we have the necessary information for 109 countries between 2000 and 2019. Where possible, data from China was replaced by independent sources (AEI 2019), since there has generally been some skepticism about the validity of official Chinese data. Foreign direct investment has not been indicated as an area of invalidity in official Chinese datasets (Taplin 2021), but it was approached here with caution. While official and independent data for Chinese FDI into other countries do not differ drastically, it is still worth noting that there were some discrepancies, particularly towards the more minor levels of investment for various countries. An example of a minor discrepancy would be the country of Zimbabwe in the year of 2019 recorded 400 million USD investment from China officially, while the independent sources cited numbers closer to 500 million USD. The gap between the two numbers is very small when considering the entire economy of Zimbabwe and could be caused by a multitude of factors, such as methods of measurement. That being said the regressions and analysis for this study use the independent sources in cases where contradictions do exist. While equivalent independent datasets for Russia did not exist, the total investment from Russia is a far smaller value, and so the range of possible inaccuracy is not likely to affect the overall results significantly.

The total investment from the major authoritarian powers is then divided by the total 2010 GDP of the country in question. The year 2010 serves this study sufficiently since it sits precisely at the middle point of our dataset and is post-recovery for the most significant countries in the aftermath of the great recession. Furthermore, attempting to parse out each investment into their year, and the GDP of that year for each country would have drastically increased the necessary workload that would have been needed to construct the dataset. While not doing the dataset based off each year is a shortcoming and would have been more 'accurate' it would have likely not improved the results in such a way that would change the fundamental results of this research. The newly created values are the percentages of the economy derived from major authoritarian investment; simply the from China and Russia divided by the national GDP. Taken together the new variables will also represent the overall level of investment the authoritarian regimes have proportionally to the economy as a whole. The three variables, investment by Russia, by China, and joint investment, will be tested the same way to see whether one country, either country, or neither, is particularly supportive of personalist regimes.

Control variables were the region in which the recipient country was located, how developed the country was according to the World Bank, political stability (Pettersson 2021), and economic freedom as measured by the Fraiser Institute (2019). As a result, the data used for this study includes a complete list of every authoritarian regime with economic data present for the years 2000 to 2019. The endpoint of the data coincides with the advent of Covid-19, which has likely changed the dynamics of economic investment.

The control variables serve an important function in the regression analysis, by providing possible alternative reasons for changes in the level of investment, each covering a different set of possible explanations. The development control variable data is helpful for determining both patterns of investment and their potential influence (United Nations Development Programme 2020). Higher levels of economic investment proportional to a poor economy might be providing greater influence. If a country is poor, it might be more willing to accept investments that concede large segments of its economy to another larger power at the cost of supporting the major authoritarian powers interest elsewhere.

The Political stability variable measures the amount of civil unrest that exists in a society according to the total number of deaths due to political conflicts (Deacon 2010). A nation not caught in civil war will likely receive greater investment from authoritarian powers as the returns on investment are more certain. Even in cases where a country in conflict is getting aid from another authoritarian government, it is often military aid or humanitarian aid, which would not be helpful for this study. Foreign direct investment is typically used to build a long-term project, which differs from military or humanitarian aid, which is usually a shorter-term assistance. Investment is likely to be checked upon constantly by the investor, while military aid, or humanitarian aid, may bring less oversight since the goals of aid are different. Acknowledging the difference between these assistance mechanisms is essential when a country faces turmoil; it is likely to get assistance in one form but not the other. The Deacon (2010) political stability dataset was updated in early 2007; however, it has not been updated since then. Using the parameters in the original dataset, additional political stability inputs through 2019 were added. The Deacon dataset used causality numbers to dictate the level of intensity that a conflict had, meaning it was easy to update to 2019.

A country's regional location is crucial to know since the geopolitics of the major authoritarian power in question likely prioritize particular parts of the world. Many official Chinese government sources emphasize the Belt and Road initiative (Wang 2022). This initiative is presented as a modern equivalent of the historical Silk Road and traditional Chinese trade routes when China was the world's global economic center. Wang (2022) demonstrated that, at least nominally, these countries could be priority targets for Chinese foreign direct investment and soft power. Furthermore, identifying regions of investments may allow examination of region specific trends, such as one or both of our major authoritarian powers investing in a particular region. The regions in this variable were, North America, Latin America, Sub-Saharan Africa, and the Middle East with West Asia, Europe, and East Asia. The categorization of states into these regions was in part arbitrary but aligned with how the Chinese Statistical Yearbook (2020) labeled them. Since China is the larger of the two investors, aligning our geographical perspectives can best help us catch potential geographical biases and trends. While the Chinese government categorization was most helpful with understanding the general Chinese interpretation of the geography, it was not entirely sufficient. In the Chinese Statistical Yearbook, West and East Asia are not separated. They are presented as 'Asia.' To capture potential patterns better, we separated Asia into the two regions of West Asia and East Asia. The division was made for several reasons; first, the Asia region had the greatest number of countries with data. If we left the region fully intact, we would have a large area that would be so great that we could miss out on potential trends that differ from other similarly scaled areas. Second, Asia contains both of the major authoritarian powers. The countries might embrace a strategy difference in regions they border with, rather than an area on the opposite end of the globe. Finally, Asia has the greatest variance in developmental backgrounds. West Asia featured greater amounts of Soviet involvement. It also had a shorter frame of European colonialism, while East Asia did not feature active Soviet intervention in the same manner. East Asia also had a very different colonial background and legacy, meaning we are dealing with different backgrounds.

The economic freedom measure accounts for how much influence the government has over daily economic activity and is provided by the Fraser Institute (2019). In the modern era, just about every state has a certain amount of influence over its economy. However, there are substantial differences in the levels and nature of government involvements in influencing the state's economy. States like France practice more control over the economy with their more stringent investment law, than countries like the United States, which has a much more hands off approach to investment policy (Fraser Institute 2019). Furthermore, in personalist states, the government might be tied more to the economy through individual and family-based ties than through official government involvement. The scale of economic freedom in a country can also demonstrate how much centralization there is by economic actors. For all these reasons and more, the control variables are useful to catch possible alternative reasons for patterns in foreign direct investment by major authoritarian powers.

The dataset that provided the control variables, as well as the independent and dependent variables, is referred to here as the *Investment and Political Regime Dataset*, abbreviated to

IPRD. The methodology used for this dataset was selected for the need to examine and control for several variables that could explain a potential relationship. If a nation has high development and consequently gets high investment but is not personalist, we can, through a regression, deduce that the relationship is due to development, and thus suggest that personalist rule is not the cause of the heavy investment. If civil conflict is prevalent in the country, we may understand why there is a low investment and the opposite for economic freedom causing investment upturns. Table 2.1 presents the results of a multivariate regression accounting for the personalistic effects on the increases in FDI from major authoritarian powers as a percentage of GDP. The multivariate regression also accounts for the influences from the previously mentioned control variables. One of those factors is a region based, meaning we can see if particular regions have higher authoritarian investment as a percentage of the total economy. The other control variables, and their impacts on the percentage of investment by major authoritarian powers on the total economy, are also demonstrated through the coefficients.

Table 2.1 Authoritarian Investment with Controls.

Authpercent	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
gwf_personal	-.880362	.8093599	-1.09	0.280	-2.48759	.7268664
development	-.03666	.4272691	-0.09	0.932	-.8851319	.8118118
conflict	-.419877	.3394765	-1.24	0.219	-1.09401	.2542561
econfree	-.2369343	.2979713	-0.80	0.429	-.8286462	.3547777
Continent						
2	-.0413951	1.561747	-0.03	0.979	-3.142714	3.059924
3	.0676753	1.315644	0.05	0.959	-2.544933	2.680283
4	.341347	1.507785	0.23	0.821	-2.652815	3.335509
5	2.330765	1.383684	1.68	0.095	-.4169559	5.078487
6	.1530992	1.356689	0.11	0.910	-2.541016	2.847214
7	.6969448	2.270289	0.31	0.760	-3.811399	5.205288
_cons	2.084597	2.351791	0.89	0.378	-2.585594	6.754789

Source: IPRD |Table: Continent - North America | 2 - Latin America | 3 - Europe | 4 - Africa | 5 - West Asia | 6 - East Asia | 7 - Oceania |

This regression does not demonstrate a strong relationship between most variables. Neither economic investment nor any control variables seem to correlate positively with whether or not a regime is a personalist. As a result, there does not seem to be much of a relationship between our suggested variables. If there is any relationship between the variables and personalism, it is a minimal positive relationship, but the results are not deemed significant due to p-values. The p-values combined with the massive range on the confidence intervals make it impossible to argue that there is a relationship between most of our variables. The one exception is for the West Asia region, the continent value represented by 5. Unlike the rest of the regions and variables, it maintains a very high coefficient with statistically suggestive results. The coefficient value of 2.33 represents the percentage of change on investment from the major authoritarian powers that can be attributed to whether the state in question is personalist and in this portion of the world. A 2.3% increase is substantial since we are talking about investments that are well into the billions, especially when those amounts are compared to the average investment authoritarian nations give globally. Having 2.3% of a nation's gross domestic product developed from a significant authoritarian power investment suggests a potent relationship. The regression was rerun to estimate the margins for each region, meaning we carried out the test again with instructions for the application to assume particular values for each region. By examining the results in table 2.2, we can better understand whether major authoritarian power is going to personalist regimes within particular regions.

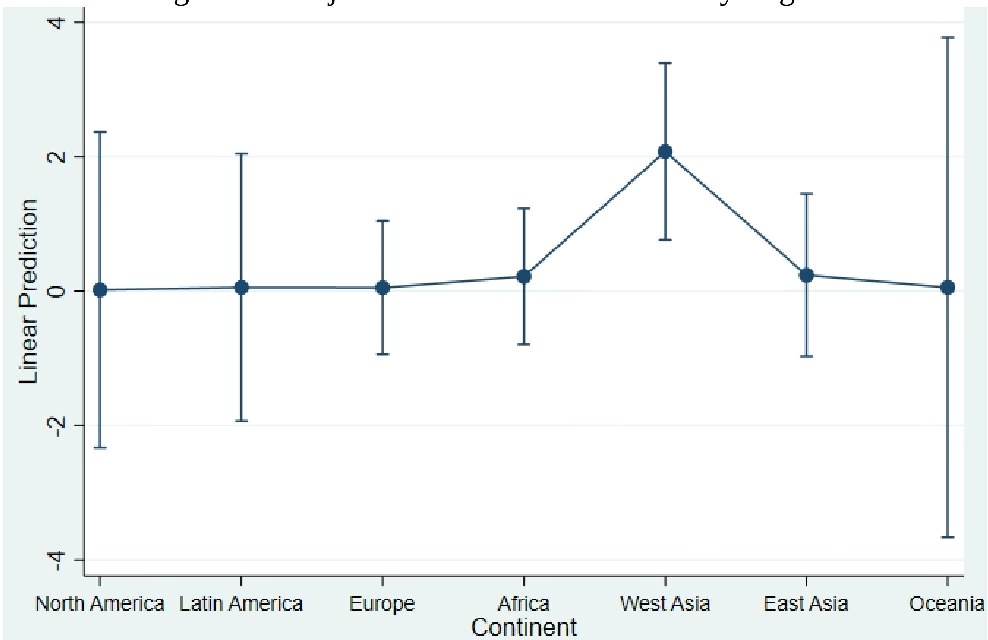
Table 2.2 Margins Table for Regions.

	Margin	Delta-method Std. Err.	t	P>|t|	[95% Conf.	Interval]
Continent						
1	.0204805	1.184651	0.02	0.986	-2.332002	2.372963
2	.0576686	1.001213	0.06	0.954	-1.930542	2.045879
3	.0527338	.5006064	0.11	0.916	-.9413713	1.046839
4	.2206744	.5097926	0.43	0.666	-.7916727	1.233022
5	2.079158	.66224	3.14	0.002	.7640806	3.394236
6	.2392212	.6077131	0.39	0.695	-.9675767	1.446019
7	.0574868	1.873098	0.03	0.976	-3.662114	3.777088

Source: IPRD | Table for Continents: 1 - North America | 2 - Latin America | 3 - Europe | 4 - Africa | 5 - West Asia | 6 - East Asia | 7 - Oceania |

Examining these margins further solidifies the possibility of a relationship in the West Asian region (5) between investments from the two major authoritarian powers and the nations of that region. Other regions do not seem to demonstrate the same level of marginal change for average investment. For regions outside of West Asia (5), we see values lower than 0.5, indicating a tiny percentage of the total economy coming from major authoritarian FDI. The West Asia (5) region is also unique in that both ends of the 95% confidence interval fall entirely on the positive side, as well as being the only variable with statistical significance by having a low p-value. Having the 95% certainty that the relationship is a positive influence in some way on the level of investment means it is likely that our results are not simply caused by random chance and demonstrate a discernible pattern. What the margins in table 2.2 demonstrate is that there is a bias for investment by major authoritarian powers toward the West Asia region, while the other regions do not show statistically significant results with their large p-values. Margin table 2.2 does not demonstrate on its own that there is a bias by authoritarian powers towards personalist regimes in the region. To better illustrate the results of the margin table, see Figure 2.1.

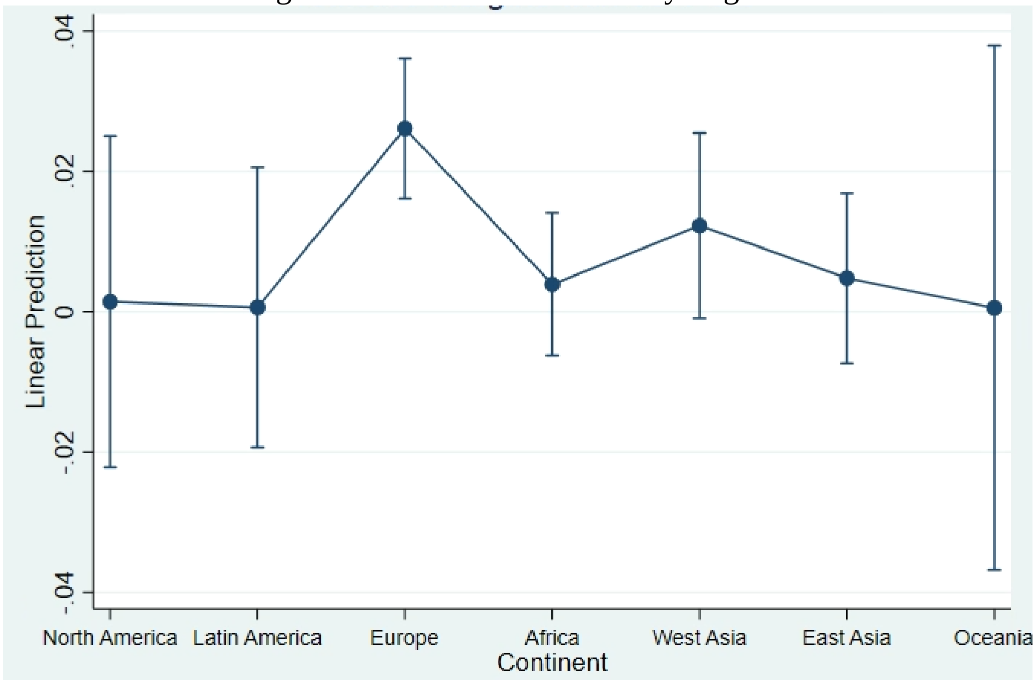
Figure 2.1 Major Authoritarian Investment by Region.



Source: IPRD

This graph replicates the findings in Table 2.2, illustrating the scale of investment by authoritarian powers into several regions of the world. While most world regions hold a spectrum of possible answers between below zero and above zero coefficients, West Asia remains entirely on the side of positive correlation, with a small section of overlap with the other variables. With the graph and the previous tables, there is a healthy probability that a relationship exists between authoritarian state investment and regimes in West Asia. West Asia was designated as a part of Wang's (2022) research about regions targeted by the Chinese state. West Asia is a very selective portion of what would be considered part of the one belt one road policy by China, and is not the entirety of the regions targeted by Chinese investment mentioned by Wang (2022). Before examining why West Asia might, in particular, have a relationship with significant authoritarian power investments, we will examine whether there is any relationship between investments by the two major authoritarian powers on their own. First, we will examine the relationship between Russian investment and regions for figure 2.2

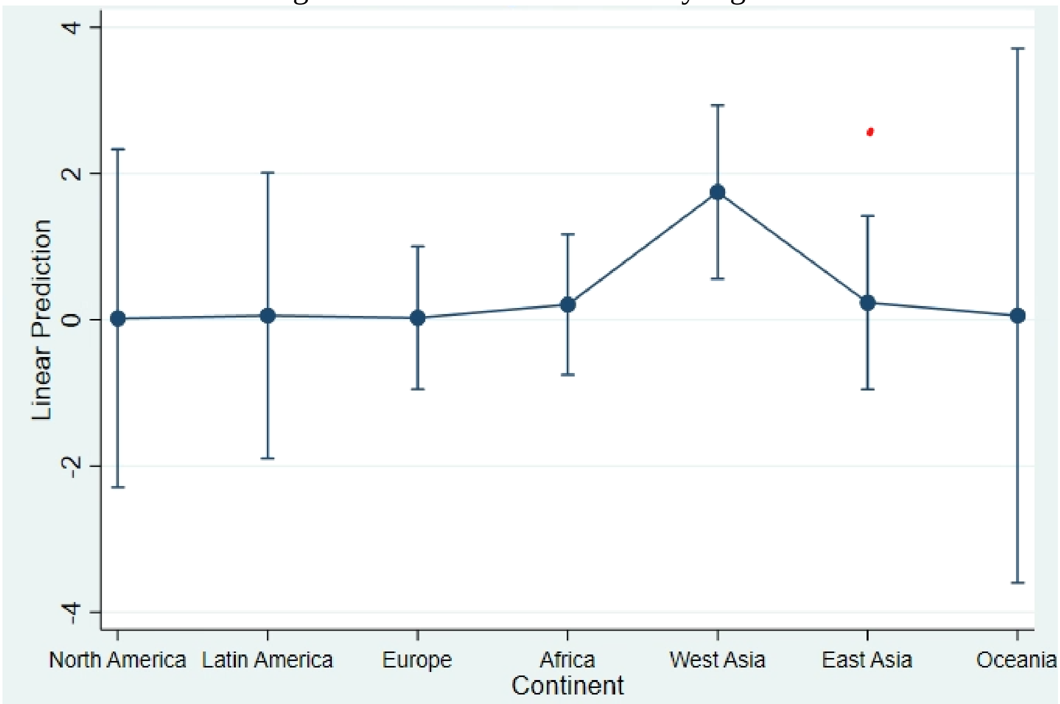
Figure 2.2 Russian Investment by Region.



Source: IPRD

Figure 2.2 represents the average percentage of investment by the Russian Federation in each region. When examining the Russian-only investment, we seemingly see a more substantial relationship with regional biases. Russian investment is minimal compared to China regarding the total quantity of investment as a percentage of recipient GDP. This margin plot suggests that nations in Europe and, to a lesser degree, West Asia obtained somewhat more of investment from the Russian Federation than other regions, which is logical since nations within Europe and West Asia are closest to most Russian population centers. Examining figure 2.3 provides a better understanding of Chinese investment patterns by region and whether bordering regions are the main investment targets.

Figure 2.3 Chinese investment by region.



Source: IPRD

Chinese investment demonstrates a more substantial relationship; in comparison to the original graph, the relationship with West Asia is more explicit. Although not as strong as the joint authoritarian investment variable, both graphs seemingly show that in West Asia the hypothesized personalist bias might exist.

The data collectively suggests that a relationship may exist between investment by major authoritarian powers and personalist regimes, but only within a particular part of the world. Because of this regional bias and limited statistical significance of the regression results, a further examination into West Asia is necessary to understand whether investment in this region may have anything to do with a bias toward personalist regimes.

Chapter 3

West Asia, Isolated Authoritarianism or Personalist Heartland?

West Asia contains countries east of Greece and west of the Sino-Indian border, meaning this region contains most of the Islamic world by number of countries, and most of the countries have resource-based economies. Table 3.1 lists all countries in the West Asia region and delineates, how long the current regime has been in power, the type of government the country maintains, how much of the economy is provided by China and Russia, and major exports according to OECD (2019) data.

Examining the table we can see a range of regime types for the countries, from theocratic republics to outright monarchies. One can offer several possible explanations for the potential of investment bias towards the West Asia region. It is possible that there was a threshold of longevity for the bias to kick in. Regimes like the one in Syria and Kazakhstan, both examples of personalist authoritarian regimes, have been in power for decades. In particular, the Assad regime, which remains the dominant force in Syria, had been ruling the country since the 1970 coup. The Syrian regime after the 1970 coup transitioned away from the ideological goals of Ba'athism and toward personalism.

Table 3.1 Regimes in West Asia.

Country	Start Year of Current Regime	Type of Regime	Authoritarian investment as a % of GDP (Russian and Chinese investment)	Major exported Resources
Iran	1979	Theocratic Republic	0.0096	Petroleum
Turkey	2014	Personalist	0.0075	Industrial Equipment
Iraq	2003	Personalist	0.009	Petroleum
Syria	1971	Personalist	0.11	Petroleum*
Lebanon	2005	Electoral Autocracy	0.0052	Precious Metals
Jordan	1952	Monarchy	0.079	Chemical Products, and textiles
Israel	1947	Democracy	0.045	Machinery, Precious Metals, and Chemical Products
Saudi Arabia	1947	Monarchy	0.017	Petroleum
Yemen	1991	Personalist	0.014	Petroleum
United Arab Emirates	1971	Monarchy	0.030	Petroleum, and Precious Metals
Oman	1996	Monarchy	0.025	Petroleum
Afghanistan	2004 2021	Personalist	0.02	Precious Metals
Turkmenistan	1992	Personalist	0.31	Petroleum
Tajikistan	1994	Personalist	0.29	Metals, and cotton
Kyrgyzstan	2010	Personalist	0.189	Precious Metals
Uzbekistan	1992	Personalist	0.25	Precious Metals, Petroleum
Kazakhstan	1995	Personalist	0.20	Petroleum
Kuwait	1962	Monarchy	0.09	Petroleum

* Data for Syria from pre-2011, due to the civil war pushing large scale exports, such as Petroleum, into unofficial avenues. | Source: IPRD

Especially starting in the early 2000s, Syria shaved off various aspects of ideology for popular support and fully embraced personalism, which is common practice among the states that remained in Ba'athist control after the end of the cold war (Richard 2008). The Kazakh government has more or less maintained the same system since the collapse of the USSR in 1991. Regimes like Kazakhstan's dominate the neighborhood of countries that make up the Central Asia region. Regimes in the West Asia region for the most part were at some point highly bound to a particular ideology, before facing a government transition to a personalist regime. Initial uprisings against the old regime were, often, popular and brought about a new regime that attempted to reform the state but without the ideological baggage of the past. Some of these nations also saw a push for democracy. However, during their transition, they fell into becoming personalist regimes that then, intentionally or not, maintained domination over the public sphere. As a result, these states were, for the most part, able to capture and reorganize the previous regimes' control mechanisms without opening up the public space for groups to compete and eventually win elections. A possible explanation of the trend might rest in with singular leaders or close-knit families remaining in power for decades; however, this trend is unlikely to be uniquely beneficial to personalist regimes, monarchies and single-party states with dynastic succession would also get this hypothetical advantage.

The other predominant authoritarian regime type in the region is monarchical states that have featured leaders ruling longer than their personalist counter parts. If the pure staying power of a singular elite, or ruler, were the cause for more investment, then the monarchies of the region would likely be attracting at least as much investment as the personalist regimes. Looking at table 3.1, we can see that this is distinctly not the case.

The nations of West Asia are dominated by a rather common set of economic exports. Furthermore, many of these states maintain rather large natural resource economies, particularly oil and natural gas. It could be argued that the targeting of countries for investment has more to do with the natural resources than the regime. Literature has long suggested that the more dependent a country is on natural resources exports, the more likely it is to be afflicted with the resource curse (Ross 2001). Resource dependence makes transitions to a more democratic system difficult, add in the fact that a good portion of these regimes are personalist regimes, and the combination of these might explain the skew. However, that would not explain the relationship between investment and resources being more pronounced in West Asia, nor does resource investment have any necessary links to personalist regimes, beyond failures in transition attempts to democracy. If the problem were attached in some capacity to the resource curse investment, it would likely be distributed globally rather than just in West Asia.

Stability could not explain the relationship alone since, if that were to be the case, regions such as East Asia and Latin America would demonstrate similar developments. Religion or culture could not explain this particular pattern in a way that makes sense or in a conclusive manner. All of the countries in the West Asia region with the exception of Israel are majority Islamic, which is not a religion Russia or China have showed preference towards.

A potential solution could be that formerly ideological states rebranded themselves in economic success. Many of these states featured strongly ideological backgrounds but failed to live up to those visions in one way or another. Much of the resistance built up over the years in response to the authoritarian regimes also grew due to economic dissatisfaction. A consequence of the collapse of the previous regimes, coupled with the lack of reinforcement for democratic institutions, was that the new regimes took the lesson that focusing on economics was paramount to maintaining their authority. The reestablishment of authoritarian regimes meant a shift in two important directions for this study.

First, economic success turns into regime success, and no amount of suppression ensures long-term domination of the public, especially if economic success becomes elusive for the authoritarian success. By dominating the public space with whatever economic means the state has, regimes attract both positive support for the regime by pointing to successful policy, and push away those who would criticize the system with the acquired funds. This economic ability represented an issue for authoritarian regimes since, in order to become a successful economy, trading with the broader world through foreign direct investment and general import-export economics is paramount. Earlier studies, however, noted that trade tends to allow liberalization elements into the country and empower groups traditionally associated with the rise of democracy, meaning such policies can hurt aspiring autocrats as much as they help. This relationship changed in the post-cold war environment, thanks in large part to the success of the Chinese economy in becoming a significant part of the global economy while also, for the most part retaining authoritarian systems (Stockemer and Kailitz 2020). The authoritarian regimes of West Asia emerged from strongly ideological background, starting with more significant development than countries in Africa, and being well aware of the need to demonstrate better economic performance. Chinese, and to a lesser extent Russian, investment provides an alternative to the liberalization threat from trade with the west, so these countries became interested in the potential investment.

Second, many of the regimes that increased focus on economic development were also the most likely to become personalist regimes. Due to the lack of democratic institutions and organizations, many of these regimes ended up nominally instituting electoral regimes but quickly turned to personalist governments. A potential explanation for adopting personalist regimes, rather than other types of authoritarian regimes, is likely other forms of governance in West Asia are more discredited. Militaries both lack the interest and institutional strength to take over the government in most countries, and since the end of the Cold War are harder to justify for prolonged periods of time. Many of these regimes also came from ideologically defined states, meaning that the population was unlikely to embrace a new radical ideology, and as a consequence, personalist regimes were the primary option available to both aspiring dictators and a potentially supportive population. Aspiring personalists can also come into control with elections in countries with weak or new democratic practices.

This line of reasoning potentially suggests that the personalist regimes in West Asia get a limited amount of investment due mainly to their history and the circumstances of their existence. Personalist regimes are a natural conclusion for the authoritarian regimes in the area, and any authoritarian regime desiring to maintain long-term stability requires economic development. Furthermore, the nations of West Asia have a more substantial interest in obtaining investment to ensure their economic success and prove their legitimacy in comparison to the previous regime. Finally, the personalist regimes in West Asia have a sufficient level of stability to attract significant investment in the first place, thus supporting a conclusion in favor of bias towards personalist regimes.

Arguments could also be made that proximity to Russia and China explains a priority for investment. However, proximity alone cannot explain this relationship that the major authoritarian powers have with West Asia. The population, and thus economic centers of both major authoritarian powers are located closer to other regions than West Asia. The Russian 'core' is far closer to Europe, which has been a constant focus of Russian foreign policy. While

Russia has made claims of strengthening Eurasia, this focus is unlikely to have a noticeable effect on the West Asia region, and is more focused on East Asia, since the portions of Russia closer to that region have been the focus of Russian policy for years now (Shlapentokh 2021). Even in Moscow's wildest dreams, it is unlikely anytime soon the portion of Russia close to Asia would yield a similar level of density and development as the portion of the country neighboring Europe. Additionally, table 2.2 demonstrated that Russian investment is not significant, so using that geopolitical tool seems less intentional and impactful than the strategies of China.

China is firmly situated within East Asia, due in large part its population center, and historical geopolitical focus. While the province of Xinjiang in the country's west borders a significant number of the countries in table 3.1, it does not contain much of China's economic and political wealth. The cultural and economic capitals of China reside almost entirely in the east with many on the coastline, across from major countries whose history and socio-political choices have a much more direct impact on Chinese society. If purely impact to Chinese stability or economy were to be the deciding factor in investment, then its neighbors in East Asia would feature a far greater weight of economic focus and investment.

The remaining possible explanation for the biased investment in West Asia is likely due to a subsection of nations and their personalist leanings. Among the countries of West Asia that are personalist, the most invested in by authoritarian powers are nations in Central Asia: Kazakhstan, Uzbekistan, Tajikistan, Turkmenistan, and Kyrgyzstan. However, the Belt and Road initiative extends into West Asia, and is likely a key factor in such investment. These countries are all personalist and, geographically speaking, isolated from the greater spectrum of international trade due to direct access to ocean trade being hindered by instability or isolation. The Central Asian republics also report the greatest level of investment as percentage from the major authoritarian powers of Russia and China. This situation is unique since, outside of Syria, and the Central Asian republics, personalist regimes seemingly obtain drastically smaller levels of investment, with countries like Iraq which is also marked as personalist, having one of the lowest investment rates with other non-personalist states. These conclusions suggest investment spike in Central Asia to be a highly localized pattern, which is likely caused by the location of the Central Asian republics.

The cause of over investment within Central Asia by the neighboring authoritarian powers is more likely tied to the dearth of other nations investing in the region, than strictly an active policy priority. Yilmaz (2020) points out how China does invest heavily into Turkey in ways that encourages authoritarian development and consolidation, yet table 3.1 reveals a small level of investment by the authoritarian powers. The small level of overall investment is likely tied to the scale of the Turkish economy to the Central Asian republics, than a disinterest in expanding authoritarian power; similar relationships likely exist in other authoritarian regimes of similar economic scale. Turkey has an economy several times larger than Kazakhstan's, the largest of the Central Asian Republics. The same is potentially true for other countries in other regions, such as East Asia and South America. The higher ratios of investment into Central Asia, have less to do with the intentions of the regimes involved and more to do with to the scale of the economies being invested in.

The regimes of the region are also less likely to go out of their way to obtain alternative investment. Stockemer and Kailitz (2020) demonstrated that the current trade agreements between the region's personalist regimes and the major authoritarian powers both provide sufficient economic development to not entirely stagnate and avoid the threat of the dreaded liberalization push. The predominant effect of scale, however, is that disproportionate investment into the Central Asian republics is not intentional. The levels of investment made so far cannot be simple economic interest and they might be encouraged by how the personalist governments operate; however, the approach taken in this study cannot prove the bias towards personalism hypothesized at the start of this paper.

Chapter 4

West Asia Authoritarianism and Potential Personalist Perseverance

What likely explains the relationship suggested by data patterns in chapter 2 that demonstrate authoritarian power higher investment into West Asia is a mix of factors ranging from stability to a dearth of economic investment from other origins. Thus the two major authoritarian powers, being the large economies with direct access to the region, are overrepresented. The findings from table 3.1 suggest that personalist ideological reasoning is unlikely to be driving investment. These findings do not prove that personalist regimes do not have any impact on investment strategy or economic policy of major authoritarian powers; rather such influences are likely far more elusive, and might require a more detailed case-based approach for examination than a general quantitative examination of investment from major authoritarian powers as a percentage of GDP.

This study finds that there is little reason to believe that there is a link between foreign direct investment as a percentage of the total economy and whether the recipient political regimes are personalist. If there are indications of any bias in investment strategy, it is likely tied to regional goals, and magnified by generally low foreign investment in the region concerned.

That being said, this research design is not the only method of researching economic investment, and other avenues of research could be attempted to further examine the links between regimes. Tracking economic investment can be fairly difficult, especially when it comes to the ownership of certain companies and their links back to persons related to regimes. While this study does not find strong evidence for the relationship between investment and personalist regimes, it is important to note the information on this topic is incredibly difficult to grasp on the global scale.

Differences between Russian and Chinese investments are mostly due to scale of investment and the organizational means by which investments are made. Russian investments, because of their limited resources and different geopolitical interests, simply do not reach the levels necessary to bring about major investment programs in faraway countries. When Russian entities aligned with government interests do invest, the investment is usually directed by individuals or individual companies, rather than through a broad organization with serious independent institutional backing. A consequence of this independence has been the difficulty in tracking such investments. These difficulties were clear to see following Russia's invasion of Ukraine, when even the UK had difficulty finding assets (BBC 2022). Chinese investment differs in that, despite the country possessing a greater number of oligarchs, investment is largely dependent on large institutional groups like the Asian Infrastructure Investment Bank, who collectively can push forward investment from the Chinese government and economic elite. These organizations in turn are designed and controlled by the state government, who pursues deals that are beneficial to both the party and individual gains. Use of these larger institutional groups of investment renders tracking such investment easier (Ehteshami and Horesh 2018). The difference is likely driven by the scales of the economies of Russia and China and the regime types of the two countries. Russia is a personalist regime and the government maintains influence through the personal relationships between the leader of the country, Putin, and the various economic and political levers of the country. Potential data that would significantly refine the conclusions made so far could be how much investment Russia made abroad, and how much of that investment can be tied back to people tied to the Russian regime. For example it is a possibility that the amount of investment Russia has in Kazakhstan is not that significant, but it could be tied up in portions of the economy related to local personalist rule, or is informally more significant then we know based on official data. Ideally the same could be done with tracking companies that split ownership shares between the government and citizens close to the governments of Russia and China. Investment in certain areas might also encourage more control or influence over the government, than does just the total investment into the country.

Additional study into the direct relationships between personalist heads of state and government would also improve our understanding of these regimes. While the Russian Federation as a personalist state has been the focus of a great deal of research, many other personalist regimes have yet to receive the same level of scrutiny. In particular the Central Asian republics are the subject of more limited research on the relationship between the personalist leaders and their economies.

Finally, with investment being indicated to be greater in the Central Asian region, it is possible that the investment was overrepresented due to the lack of investment from other countries. The Central Asian republics in particular would be unlikely to receive investment from non-authoritarian powers, due to the isolation of the region and nature of the regimes. Potentially alternative methods of analysis in the future would be more targeted analysis looking at the assets that can be linked in recipient countries back to elites in major authoritarian powers. For example, future research could look at the level of control the two major authoritarian powers yield over the strategic resources in other countries, and compare that control to regime type, like personalism. If a personalist regime is interested in a particular resource, like many of the Central Asian republics are in petroleum, investment into that strategic industry might better demonstrate who has interest in the maintenance of that regime.

In view of the recent willingness of one of these major authoritarian powers to use military force to destroy democratic progress, it is more important than ever to examine how authoritarian states collaborate or deal with one another. In particular, the literature suggest that authoritarian powers investment and economic cooperation was a major source of re-asserting authoritarian sustainability. While the relationship between personalism and investment can not be asserted with the research done in this paper, more research should be done on the codependency of authoritarians to fight off threats that come from democratized western powers and international initiatives (Brownlee 2020). Modern financial regulations have caused increased difficulty in determining ownership, but that is not to say there are no effective quantitative methods of measurement, rather we should develop more sophisticated data for examination.

There has been a fundamental change in how authoritarian states approach trade and each other, when it comes to economic involvement and interaction. Foreign direct investment does not seem to be aligned with regime type but, as with dynamics in authoritarian regimes, there are gaps in the information we have on them. As we move into a period of increased conflict and engagement between major powers, the measurements we have used in previous decades must improve too.

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