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The Impact of Freedoms on Trade Relations in Post-Soviet Russia: Comparing the Effects of Media Freedom

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The Impact of Freedoms on Trade Relations in Post-Soviet Russia: Comparing the Effects of Media Freedom

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Introduction

A shift in the ideological or political standing of a state can gravely impact other areas of governance by altering political structures, influencing policy decisions, and recalibrating societal norms. These shifts can transform economic systems, educational agendas, societal norms, and international relations of a nation state leading to widespread changes in social justice, resource distribution, and cultural narratives.

The fall of the Soviet Union presented a critical juncture where strategic communication became vital in shaping public opinion and policy responses. In this context, media freedom, and the manipulation of it in the form of propaganda, emerges as forces that can influence the perceptions of the public which in turn may alter policy decisions in a state. In the intricate relationship between media freedom and trade dynamics, the role of the media transcends traditional information dissemination, by becoming a strategic tool that can potentially be used to manipulate state interests to serve broader agendas. By focusing on post-Soviet Russia, the research applies a unique lens to examine the temporal changes in media freedom and their impact on trade policies. The transition experienced by Russia, as it moved away from a Soviet state to a more open market economy, offers an ideal opportunity to analyse how shifts in media freedom affect international economic relationships. In turn, this study aims to uncover the complex interplay between domestic media policies and international trade strategies, contributing to a broader academic discussion on the media's potential to influence both domestic and global trade relations in an increasingly interconnected world.

Literature Review

To understand the influence of media freedom on trade relations in post-Soviet Russia, a series of diverse perspectives need to be explored to uncover the mechanisms through which media freedom shapes public perceptions and international economic agreements.

The role of Freedoms

An encompassing view on the roles of freedom in governance is offered by the Freedom House 2020 annual report on World Freedom, which also provides an exhaustive analysis of media freedom across different countries, including Russia. Repucci et al., (2021), highlight that media freedom is intrinsically linked to political and economic freedoms, stressing that a free press is fundamental to ensure transparency, accountability, and good governance. Together, these elements have the potential to establish a prospering environment for economic interests and international trade. Without respect to these values and a free flow of information, corruption can flourish by creating an unpredictable economic environment which discourages foreign investment and blemishes the international image of the state. Repucci et al., (2021) discuss how restrictions on media freedom are often accompanied by broader violations of human rights and the rule of law (p.25). In states where these rights are upheld, there is generally a greater respect for the property rights of citizens and equal opportunity, which stimulate a healthy trade environment. The report argues that human rights and the rule of law are critical for sustainable economic development (p.24). In Russia, however, a history of restricted media freedom and broader human rights violations leads to an unstable environment for international trade, as investors are often disincentivized by such conditions.

By emphasizing the roles of other freedoms in influencing the trade relations of a state, Repucci et al., (2021) offer a unique opportunity to further understand how a range of freedoms

may influence the international dynamics of states. This perspective needs to be considered when analysing trade relations in post-Soviet Russia, where the complex interplay between media control, human rights, and economic policies may impact the state's trade relations and international positioning.

The interplay between state-controlled media and economic policies is discussed by Tolz and Teper (2018), who argue that the Russian government, particularly under Putin's leadership, strategically employs television broadcasting as a powerful tool to shape public opinion, control the media environment, and influence various aspects of society, including trade relations. One of the key concepts discussed in the article is the notion of agitainment, a fusion of agitation and entertainment, which has become a prominent feature of the media strategy in Putin's third presidency (p.2). Agitainment serves as a means for the government to manipulate public perceptions, including those related to trade policies and international economic relations. The authors claim that a neo-authoritarian media conduct can be observed in post-Soviet Russia, as the strategic use of extensive ideological messaging to maintain political control remains widespread (p.17). The manipulation of media content can severely impact public attitudes towards trade agreements and economic cooperation both domestically and internationally. Overall, their study provides insight on the interplay between media freedom, trade relations, and government-controlled media in post-Soviet Russia. By presenting the concepts of agitainment, state-controlled television, and neo-authoritarian media conduct, the study offers valuable perspectives on how media manipulation can influence attitudes towards trade policies and economic relations.

In accord with this, Richter (2008) sheds light on several key concepts that underscore the importance of media freedom in shaping trade dynamics. One crucial concept discussed, is the role of media freedom in promoting transparency and accountability in trade relations (p.9). A free press serves as an accountability mechanism by, uncovering corruption, exposing unfair

government practices, and ensuring that trade agreements are implemented ethically. If these values are upheld then foreign investors are incentivized to move their business interests into that country as they are guaranteed transparency, unbiased media scrutiny, and trust in their new environment.

Furthermore, Richter (2008) explores how media freedom impacts public perception and consumer behaviour, thereby influencing trade relations (p.2). A diverse and unrestricted media environment enables the dissemination of information about products, services, and market trends which in turn forms consumer preferences and drives purchasing decisions. Following this, it can be deduced that more positive media coverage can enhance the reputation of Russian goods and services, bolstering trade opportunities and economic growth overall. Richter (2008) argues that a freer media can provide business investors with opportunities to commercialize their goods and services in hopes to attract investment (p.1). This, in turn, can lead to an increased demand and higher export volumes, positively impacting Russia's trade relations and economic prosperity.

Media Manipulation

Media outlets can be controlled to varying degrees, ranging from complete censorship to merely the blurring of narratives, Sarah Oates (2016) examines the relationship between media freedom, propaganda, and trade relations in post-Soviet Russia by utilizing the concept of "rewired propaganda". The emphasize of the research lies on how authoritarian regimes, like Russia, navigate the challenges and opportunities presented by the evolving media landscape (p. 399). This concept is particularly relevant to understanding how media freedom, or lack thereof, can influence public perception and, consequently, trade relations between Russia and other countries.

Furthermore, Oates (2016) explores the evolution of the Russian media environment, observing its transition from being strictly state controlled throughout the Soviet era to a more open approach in the post-Soviet period (p. 399). By analysing how the Russian state influences various media platforms, including both online and traditional outlets, valuable insights into the impact of media freedom on the dissemination of trade-related information and policies can be attained. The author presents case studies that shed light on how the Russian state constructs and disseminates narratives during times of political and international crises (p. 399). The case studies offer valuable insights into how media freedom, or its manipulation, can alter public opinion and, consequently, impact trade relations with other nations.

Additionally, Oates (2016) explores the lasting effect of glasnost in Russia and its implications for media freedom (p. 405). This historical context is crucial to understand how media freedom is viewed in Russia today and its potential implications for trade relations with countries that prioritize freedom of expression and transparency in their media.

The states' bid to control public opinion can be seen as a double-edged sword, Gehlbach and Sonin (2014) argue how media bias impacts the governments influence over the media, especially in situations where the government aims to mobilize citizens towards actions that serve political objectives, even if these actions may not align with the citizens' best interests (p. 163). This strategic manipulation of the media can have major consequences for how trade-related information is showcased to the public and how these trade policies are interpreted on the international level.

Furthermore, Gehlbach and Sonin (2014) discuss the role of state ownership of the media in forming narratives and controlling the flow of information (p. 164). Specifically, in post-Soviet Russia, the consolidation of state ownership of national media outlets has resulted in a decline in media freedom, indicating the government's relentless efforts to control the narratives presented to the public. This control over the media can consequently influence how

trade-related information is disseminated, by its ability to potentially alter the public's opinion on trade agreements. The authors delve deeper into the consequences of biased media ownership by exploring the influence of advertising markets on media bias and government incentives to nationalize private media (p. 164). Even though advertising markets can indeed reduce media bias, they can also increase the government's ambition to directly control the media for national interests, leading to a lower level of media freedom in the state.

By employing a case study of Kazakhstan from an OECD membership evaluation perspective, Knox and Janenova (2023) corroborate the critical role of media freedom in shaping trade relations. The authors emphasize that media freedom stimulates transparency and accountability in trade relations by allowing the spread of accurate information on trade policies and market conditions (p.238). The direct control or censorship of media outlets, in turn, leads to negative perceptions of Russia as a trading partner and hinders foreign investment.

Knox and Janenova (2023) track the change of governance in Kazakhstan and further explore how media freedom influences public opinion and government policies related to trade (p.236). When the media is censored or controlled, it limits an individual citizen's access to information and hinders any valuable discourse on trade issues. In turn, this limitation may have consequences for the formulation of trade policies and agreements, as well as the overall perception of Russia on the global stage. Lastly, the authors discuss the connection between media freedom, political stability, and economic agendas by underscoring the importance of a free media, claiming that it can be regarded as an indicator of a country's democratic values (p.239). The findings of their study indicate that a state with a free media environment is perceived as more stable, trustworthy, and incentivizing for business partners. Oppositely, any restrictions on the media freedom within a state signal political instability, a lack of transparency or accountability, and many more risks for potential foreign trading partners.

Rivalling the concept of a state-controlled media, Fredheim (2016) shifts the focus on the loyal editor effect and its impact on news coverage. The concept of the loyal editor effect is particularly relevant to understanding the relation between media freedom and trade relations in post-Soviet Russia as editorial changes under the influences of ownership pressures can lead to significant shifts in news coverage. By exploring how loyal editors refract news in a sympathetic manner to the Kremlin's agenda (p.6), the author highlights the potential for biased reporting that can in turn shape public perception of trade agreements and economic activities.

Furthermore, the systematic distortion of the news by pro-Kremlin outlets, has consequences for how trade relations are portrayed in the media. Fredheim (2016) underscores the role of media outlets in supporting the regime's decisions and discrediting critics (p.6) which signifies the potential for media narratives to influence trade policies and international perceptions of Russia. This distortion does not only impact domestic audiences, but also international stakeholders involved in trade with Russia. By quantitatively analysing changes in news coverage and identifying topics that are not associated with state-controlled and independent outlets (p.8), Fredheim (2016) provides researchers with a valuable approach to examine how media narratives can influence trade dynamics and perceptions of the domestic economy.

Authoritarian Regime Stability

Many authoritarian regimes around the world are known to utilize forms of media censorship or control to influence public opinion on governance decisions. By exploring sources that have analysed such cases, a comprehensive understanding of the strategic use of media in shaping public discourse and policy support may be acquired. Weiss and Dafoe (2019), explore how government communication strategies can impact public perceptions and support for foreign policy decisions. The authors examine how the impact of government

propaganda influences mass reactions during international crises by utilizing China as a case study. By applying scenario-based survey experiments, they investigate how authoritarian regimes manage public opinion costs in the face of military threats. Authoritarian leaders use propaganda and rhetoric to control public opinion to justify their actions. This is demonstrated, in the case of China, by highlighting how narratives of past humiliation and future success can influence public approval of government decisions (p.963).

Additionally, Weiss and Dafoe (2019) find that intimidation, or vague threats, can also generate popular support in authoritarian settings (p. 964). The analysis concludes that authoritarian rhetoric and propaganda influences public opinion and can mitigate cues of disapproval on government inaction, signifying the adaptable nature of the public in such regimes. Opposingly, these dynamics differ starkly in democratic regimes, the authors draw on the concept of audience costs and how leaders face public disapproval if they fail to follow through on their words (p.963). As these costs are not a consequence in authoritarian regimes, leaders are free to make grand promises that do not have to be followed through on.

Similarly, Byman and Lind (2010) observe survival strategies of authoritarian regimes by specifically focusing on the case of North Korea. The authors discuss the range of tools and tactics utilized by leaders to maintain power in the face of both domestic and international threats. Byman and Lind (2010) define propaganda as a tool for influencing public opinion, shaping narratives, and justifying actions taken by the state (p. 51). Their findings imply that varying levels of media freedom can impact the economic strategies and trade dynamics of a nation. In the context of post-Soviet Russia, where media freedom has fluctuated, understanding its role has become crucial in analysing how trade relations are formed and maintained.

Byman and Lind (2010) suggest that while democratic states might utilize media to promote transparency and accountability in trade practices, the reality in Russia presents a more

complex scenario where media freedom can alternate rapidly between openness and state control (p. 51). An examination of the media's role in shaping trade relations provides insight into how media narratives influence public perceptions, diplomatic strategies, and economic policies. Finally, by understanding the role of media in maintaining domestic stability and projecting strength internationally, valuable insights into the broader dynamics economic diplomacy can be attained.

Overall, the existing literature provides in depth explorations of a range of relevant concepts that can help further the understanding of the critical role that the media plays in shaping trade relations and economic development in post-Soviet Russia.

Theoretical Framework

Additionally, to understand the influence of media freedom on trade relations in post-Soviet Russia, a range of theories need to be drawn on. For the purpose of this study, the Political Economy Theory, Constructivist Theory, and the Soft Power Theory are included to support the formulation of any relevant arguments. Each offers their own unique insight into the complex relationship between media freedom and Russian trade relations in the transitional context of a regime change.

Political Economy

The Political Economy Theory provides an overarching perspective through which to examine how political structures and media freedom impact economic policies and trade relations. According to Hoekman and Kostecki (2009), political economy factors such as government transparency and accountability, corruption levels, and institutional quality significantly impact the effectiveness of trade relations that shape the international system. For instance, a freer media may expose corruption and push for reforms, thereby catalysing the

business environment by attracting foreign investors. In the context of post-Soviet Russia, the political economy theory can be applied to focus on the accountability and transparency of the national media which directly affects the perception of Russia as a reliable trade partner. A media environment that promotes transparency can bolster Russia's image on the global market, potentially leading to more favourable trade agreements and increased foreign investment. Oppositely, media manipulation and state control can indicate corruption, in turn discouraging international economic agreements. However, a limitation of this theory in the context of Russia is that it may not fully account for the nuanced ways in which media, even when free to some extent, can still be manipulated or influenced by state interests.

Constructivism

On the other hand, Wendt (1999) observes international relations through the lens of the Constructivist Theory, stressing the role of ideas, beliefs, and identities in shaping state behaviour and the international system. According to constructivists, the international system is shaped by social interactions and the spread of ideas, contradicting the realist approach which merely focuses on material capabilities. In this context, media freedom is vital as it facilitates the free flow of information and ideas while constructing both national and international identities. While a state-controlled media may signal a more defensive or solitary national identity, contrastingly, a freer media indicates transparency and accountability hence incentivizing foreign business partners by projecting a positive and open national identity. Constructivist scholars argue that international commerce is not solely about economic transactions but also about forming relationships and trust. To sustain these long-term trade partnerships the levels of media freedom play a fundamental role in facilitating discussions, cultural exchange, respect, and transparency. In essence, the relevance of Constructivist Theory

to this research lies in its ability to explain how media freedom shapes the identities and perceptions that drive international trade relations.

Soft Power

Furthermore, Joseph Nye's (2004) Theory of Soft Power, is highly relevant to the research as it underscores how a state like Russia uses media as a tool for soft power, by promoting specifically tailored narratives to enhance its image and influence internationally. According to the theory, soft power is the ability to shape the preferences of others through appeal and attraction, rather than coercion or punishment. In turn, by controlling the media, a state can present narratives of stability and resilience. Contrastingly, a state may also adopt a more threatening position against external economic pressures by skewing the flow of information in the favour of the government and its ambitions. For instance, a government-controlled media might exaggerate Russia's economic strengths and downplay its weaknesses, thereby attracting foreign investment and fostering trade relationships. However, the theory is limited as its focus fails to encompass independent media outlets which can introduce alternative narratives. When a state struggles to control all active media outlets, opposing ideas may cause rebellions or expose state corruption which can significantly harm the trade relations and international perceptions of the nation.

The discussed theories in the review contribute valuable insights into the intricate relationship between media freedom and trade relations in Russia, yet they also have their respective limitations. By utilizing an integrated approach that considers the findings and weaknesses of these theories, a more nuanced understanding of how Russia's media domain shapes its international trade relationships can be attained.

Research Puzzle

In the post-Soviet landscape, Russia presents a unique case study to explore the interplay between media freedom and trade relations. This research aims to investigate how variations in media freedom within Russia influence its international trade dynamics. The case of Russia poses as unique with the country's strategic geopolitical position and transitional political environment. Despite extensive existing literature on Russia's trade policies and media characteristics, only a few studies comprehensively link the level of media freedom directly to changes in trade relationships and it has not been compared to showcase its sole relevance. This research will bridge the gap by determining whether media freedom alone can explain trade relations or if other freedoms such as the rule of law and human rights are more relevant. The reasoning behind this comparison stems from the interconnected nature of these elements in shaping a state's economic environment and international trade relations. The degree of media freedom is critical to ensure transparency and accountability, which are crucial to foster trust and stability in economic partnerships. Similarly, the rule of law ensures that legal frameworks are respected, providing a predictable environment for businesses and investors. Moreover, human rights, which encompass both political and civil liberties, contribute significantly to a just society, attracting foreign investors who are wary of political and social unrest in other states. Understanding which of these factors is play the most influential role in shaping trade relations is particularly relevant in the context of post-Soviet Russia, where these freedoms are known to be compromised.

While the primary focus of this study lies with the effect of media freedom on the trade relations of post-Soviet Russia, a comparison with factors like the rule of law and human rights will shine a light on the true role of media. The existing literature on Russia's media environment and trade policies, often overlooks the direct correlation between media freedom and trade dynamics. This, in turn, leaves a lot of unanswered questions making scholars

speculate on the true effects of media in a state. To what extent can media freedom influence a country's international image and its ability to attract foreign investment? And in what ways might a restricted media landscape hinder Russia's economic growth? This research intends to fill this gap by analysing how media openness or constraints shape Russia's economic engagements and trade strategies.

Research question

In the ever-increasing interconnected nature of the global order, the role of media freedom remains contested as a crucial force in shaping international trade relations. As Russia continues to navigate its post-Soviet transformation, the role of the media becomes fundamental in influencing both domestic policies and international agreements. This research seeks to unearth how different levels of media freedom influence trade relations and if this effect can be comparable to influence of human rights and the rule of law.

The dynamics of global trade are greatly influenced by a transparent and reliable flow of information, which are directly affected by the level of media freedom in a state. However, the existing literature on Russia's media landscape and trade policies often overlooks the direct correlation between media freedom and trade relations. The study is highly relevant in both academic and societal fields, as it explores the critical link between media freedom and trade relations in post-Soviet Russia. Academically, it contributes to the understanding of how media freedom influences trade relations compared to other freedoms, and which freedoms play the most crucial role in economic cooperation. The research aims to enrich the existing literature on political economy and international trade by providing empirical evidence and theoretical insights into the mechanisms through which media freedom affects trade dynamics. Moreover, from a social perspective the research can signify the importance of media freedom in fostering

a stable and transparent trade environment, which is vital to attract businesses and foreign investment.

Freedoms in Trade Relations

H1: An increase in media freedom, the rule of law, and human rights all positively influence trade relations.

As the discussed literature indicates, media freedom is intrinsically linked to other freedoms that are reliant on transparent and independent media outlets to bring forth their relevance in state governance. Repucci et al., (2021), stress that these elements are fundamental to create a prospering economic environment and international trade. Without respect to these values and a free flow of information, corruption can flourish by creating an unpredictable economic environment which discourages foreign investment and blemishes the international image of the state.

The rule of law further supports economic stability in a state by ensuring that legal responsibilities are upheld, contracts are enforced, and property rights are protected. Repucci et al., (2021), assert that this is essential for establishing investor trust and promoting long-term economic relationships. If the rule of law is strong within a state, foreign businesses and investors can operate with greater certainty about their legal rights and protections, which incentivizes long-term trade relationships. Similarly, countries that have a record of upholding human rights are often seen as more reliable making them more sought-after trading partners. The protection of these rights contributes to a more stable, inviting, and just society that can attract great volumes of trade. Moreover, the respect for human rights can also reduce social

unrest in the state, thereby rendering it a safe and hospitable environment for international businesses.

The Sole Effect of Media Freedom

H2: An increase in media freedom has a greater effect on trade relations than other freedoms.

Media freedom is crucial in facilitating the free flow of information and ideas which, in turn, construct national and international identities. Constructivists, like Wendt (1999), would argue that international trade is more about forming relationships and trust with other states, than it is used as a tool for pure profit or economic advantages. While a state-controlled media may indicate to foreign investors a more hostile or solitary national identity, opposingly, a freer media can signify more respect for transparency and accountability among other values. This positive international or national image of a state draws foreign companies and investors into the state to conduct business.

By providing a critical analysis of the media's role in shaping economic relations, this research will strive to bridge the existing gap in the literature regarding the lack of knowledge on the impact of media freedom on trade relations in transitional regimes like post-Soviet Russia. The study will address the research question: How does media freedom influence trade relations in post-Soviet Russia? By employing an appropriate case study and a series of theoretical approaches, this research will allow for a detailed examination and comparison of findings across different contexts.

Methodology

The proposed analysis will apply empirical data and a case study of post-Soviet Russia to explore the mechanisms through which media freedom influences trade relations and market dynamics. By examining the existing literature, a consensus that varying levels of media freedom can significantly impact trade relations by influencing public perception and policy decisions can be observed. Additionally, the study will consider the impacts of the rule of law and human rights, to provide a comparison which enables the measurement of the true effects of media freedom in relation to other freedoms. If media freedom does have a positive effect on trade relation, does this effect significantly vary from the influences of other freedoms?

To explore the impact of media freedom, in relation to the rule of law and human rights, on trade relations in post-Soviet Russia, this study employs multiple different regression analyses for the different types of freedoms. The reasoning behind the solitary treatment of each freedom variable is that the dataset created for this study has a sample size of $N=33$ (with each case being a respective year), this means that other variables cannot be included in the same regression as the results would be significantly distorted. Furthermore, this approach is also optimal to isolate the effects of each type of freedom on trade relations, allowing for a nuanced understanding of their individual and collective influences. Multiple regressions are particularly suited for this study as it can control for confounding variables, such as political stability, ensuring that the results accurately reflect the impact of the independent variables on the dependent variable. By running separate regressions for each type of freedom, the study can compare their relative strengths and determine the true effects of media freedom, independently of other freedoms.

The previously mentioned hypotheses will be tested according to the findings of the statistical analysis. If the coefficients for media freedom, the rule of law, and human rights are

positive and statistically significant, the first hypothesis will be supported. Similarly, by comparing the magnitude of these coefficients, the findings can determine if media freedom has a greater influence than the other freedoms, thereby testing the second hypothesis.

Datasets

The datasets employed in this study were selected based on their reputation as a reliable source and the completeness of data for the given time frame. The end of the Cold War marks the end of the Soviet era; however, the study includes one year before the transition to control for the change. The selected period provides a unique window to examine how shifts in media freedom influence trade dynamics during Russia's transition from a closed to a more open market economy. By examining this transformative era, the research seeks to identify patterns and variances that shed light on the role of media in shaping trade relations. A series of datasets were merged using Excel to create a comprehensive overview of the variables necessary for the analysis. The process involved aligning the data by year, from 1990 to 2022, to ensure consistency across all variables. Each year represents a case in the dataset, resulting in a sample size of N=33. Upon encountering several missing values, the instructions for data imputation by Halperin and Heath (2017) were employed before running the regressions (p.396). The imputation of data, which is independently run by SPSS, provides a reliable set of new values that, if kept missing would significantly influence the analysis due to its low number of cases. As only a total of 5 values were computed for, the validity of the data remains robust, and the results will not be skewed in a bias manner.

Main Variables

The independent variable (IV) of this study is Media Freedom, employed from the Varieties of Democracy (2024), V-Dem, dataset which provides comprehensive measures of

media freedom. The dataset includes the variable for government censorship efforts, which reflects politically motivated awarding of broadcast frequencies in a state, withdrawal of financial support, influence over printing facilities and distribution networks, and bribery. More specifically this variable directly accounts for the fluctuations in media freedom as the indicators employed signal changes in media freedom. The variable ranges on a scale from 0 to 4, with 0 meaning that attempts to censor media are direct and routine, and 4 signifying that the media is rarely censored and when it is, the people accountable are held responsible.

The dependent variable (DV) of this study is Trade Relations, which is operationalised as Trade as a % of the GDP from the World Bank (2024a) dataset. The percentage of GDP that trade constitutes in a state's economy is a widely used indicator of engagement in the global economy and can provide an explicit picture of how trade intensity changes in response to variations in media freedom, the rule of law, and human rights. The variable will be able to indicate the annual amount of trade that occurs in the state, as it accounts for the sum of exports and imports of goods and services measured as a share of the gross domestic product. As this variable is continuous and is measured in percentages, a greater value indicates that trade contributes more to the overall economy of that specific state.

The control variable for this study, Political Stability, will be controlled for using the Political Stability and Absence of Violence/Terrorism index from the World Bank (2024b) Worldwide Governance Indicators. This index measures the likelihood of political instability and/or politically motivated violence, including terrorism. As mentioned by Knox and Janenova (2023), controlling for political stability is valuable as it can independently affect trade relations by influencing investor confidence and the overall business environment in a state. Knack and Keefer (1995), further support the notion that political stability fosters a predictable and secure environment for economic interactions, leading to enhanced trade relations. Unstable political conditions can deter foreign investment and complicate trade

agreements, making it crucial to control for this variable to isolate the effects of media freedom, the rule of law, and human rights on trade. This continuous control variable ranges from -2.5 to 2.5 with higher values indicating more political stability in the state.

Relative Effect of Other Freedoms

Furthermore, the two additional freedoms that will be utilized in this study, to compare the effects of media freedom to other freedoms, will be the rule of law and human rights. Both freedoms will be treated as independent variables in their own regressions, while providing a baseline measure of their effects on trade relations and controlling for political stability.

The Rule of Law variable will be operationalized using the World Bank (2024c) dataset, which captures the extent to which national and international actors have confidence in and abide by the rules of society, including the quality of contract enforcement, property rights, the police, and the courts. The variable ranges from -2.5 to 2.5 with higher scores indicating stronger adherence to the rule of law. By incorporating this variable, the study can observe how variations in the rule of law correlate with changes in trade relations, providing an understanding of its role alongside media freedom.

The next freedom under analysis pertains to the independent variable of Human Rights, which is sourced from the Our World in Data (2024) dataset. It captures the extent to which people are free from government torture, political killings, and other widely recognized human rights violations. The variable ranges from 0 to 1, with a higher value indicating more respect for human rights in that state. By analysing the variable, the study can explore the impact of human rights protection on trade relations, offering new insights into whether improvements in human rights significantly enhance economic engagement and trade dynamics compared to media freedom and the rule of law.

The results of the analysis will be used to compare the relative importance of the different kinds of freedoms, with the focus remaining on media freedom, to determine which has the most significant influence on trade relations.

Analysis

Table 1. Linear regression model on the effect of media freedom on trade relations

	Model 1	Model 2
(Constant)	60.172*** (7.247)	32.857* (12.277)
Media Freedom	-24.915 (25.132)	-5.747 (24.121)
Political Stability		-23.020* (8.706)
R^2	0.031	0.62
Adj. R^2	-0.001	0.61
N	33	33

Note: OLS regression coefficients with standard errors in brackets.

*** $p < 0.001$, ** $p < 0.01$, * $p < 0.05$

Linear Regression of Media Freedom

This table presents findings from the first regression which examines the effect of media freedom on trade relations. In Model 1, the trade relations (as a percentage of GDP) of post-Soviet Russia tend to be lower the more media freedom there is. An increase of one unit in the media freedom variable is associated with a -24.915% change in trade relations. Unexpectedly, this effect is not statistically significant using a conventional 95% significance test ($p = 0.524$). Additionally, the R-squared value of the regression model is 0.031, signalling a poor fit between the model and the data.

Next, in model 2, the trade relations (as a percentage of GDP) of post-Soviet Russia tend to be lower the more media freedom there is and the higher the political stability. An

increase of one unit in media freedom is associated with a -5.747% change in trade relations, which remains statistically insignificant ($p = 0.784$). Counterintuitively, an increase of one unit in the political stability variable is associated with a -23.020% change in trade relations, with this effect being statistically significant at the 95% level ($p < 0.05$). The R-squared value of 0.62 indicates a substantial increase in the fit between the model and the data, when compared to model 1. More specifically, the inclusion of both media freedom and political stability explains 62% of the variance in trade relations. The statistical assumptions that need to be met can be found in Appendix A including the ones for later regressions in this study (see Appendix A). The results from these models highlight important aspects of the relationship between media freedom, political stability, and trade relations in post-Soviet Russia. The lack of a statistically significant effect of media freedom alone on trade relations indicates that media freedom may not be a primary driver of trade relations in this context. Furthermore, the observed statistically significant negative effect of political stability on trade relations is unexpected and calls for additional research to understand the reasons for this influence. Overall, the analysis reveals that media freedom alone does not significantly influence trade relations in post-Soviet Russia.

Table 2. Linear regression model on the effect of the rule of law on trade relations

	Model 1	Model 2
(Constant)	-4.558 (17.420)	-7.547 (16.672)
Rule of Law	-64.936** (19.386)	-50.719* (19.769)
Political Stability		-16.313 (8.050)
R^2	0.266	0.354
Adj. R^2	0.242	0.311
N	33	33

Note: OLS regression coefficients with standard errors in brackets.

*** $p < 0.001$, ** $p < 0.01$, * $p < 0.05$

Linear Regression of the Rule of Law

Next, table 2 presents the results from the second regression which examines the effect of the rule of law on trade relations. In Model 1, the trade relations (as a percentage of GDP) of post-Soviet Russia tend to be lower the stronger the variable of the rule of law is. An increase of one unit in the rule of law variable is associated with a -64.936% variation in trade relations, with the effect being statistically significant at the 99% level ($p < 0.01$). This indicates a strong negative relationship between the rule of law and trade relations. This unanticipated result suggests that a stronger rule of law correlates with lower trade relations in post-Soviet Russia. Furthermore, the R-squared value of the regression model is 0.266, suggesting that the rule of law alone explains 26.6% of the variance in trade relations, signifying a moderate model fit.

Meanwhile, in Model 2, the trade relations (as a percentage of GDP) of post-Soviet Russia tend to be lower the stronger the rule of law is and the higher the political stability. An increase of one unit in the rule of law variable correlates with a -50.719% change in trade relations, which is statistically significant at the 95% level ($p < 0.05$). This result indicates that even when controlling for political stability, the rule of law continues to have a negative statistically significant impact on trade relations. However, political stability, has a coefficient value of -16.313, which is not statistically significant ($p = 0.052$), signifying that the control variable does not have a significant independent effect on trade relations. The R-squared value of 0.354 indicates an increase from Model 1; with the inclusion of both the rule of law and political stability explaining 35.4% of the variance in the trade relations of post-Soviet Russia. The regression reveals that the rule of law has a statistically significant negative relationship with trade relations in post-Soviet Russia. However, the inclusion of the control variable, political stability, increases the explanatory power, even though by itself political stability is not a significant predictor.

Table 3. Linear regression model on the effect of human rights on trade relations

	Model 1	Model 2
(Constant)	15.981 (10.212)	14.829 (10.312)
Human Rights	67.092*** (17.984)	53.349* (23.380)
Political Stability		-9.185 (9.950)
R^2	0.310	0.329
Adj. R^2	0.288	0.284
N	33	33

Note: OLS regression coefficients with standard errors in brackets.

*** $p < 0.001$, ** $p < 0.01$, * $p < 0.05$

Linear Regression of Human Rights

Lastly, observe the results from the third regression, which examines the effect of human rights on trade relations. In Model 1, the trade relations (as a percentage of GDP) of post-Soviet Russia tend to be higher the better the human rights conditions are. An increase of one unit in the human rights variable is associated with a 67.092% change in trade relations, with the effect being statistically significant at the 99% level ($p < 0.001$). Moreover, the R-squared value signals a moderate model fit with 0.310, indicating that the variable of human rights explains 31.0% of the variance in trade relations.

Next, in Model 2, the trade relations (as a percentage of GDP) of post-Soviet Russia tend to be higher the better the human rights conditions are and the higher the political stability. An increase of one unit in human rights is associated with a 53.349% change in trade relations, which remains statistically significant at the 95% level ($p < 0.05$). An increase of one unit in the political stability variable is associated with a -9.185% change in trade relations, but this effect is not statistically significant ($p = 0.340$). Finally, the R-squared value of 0.329 signals a slight increase in the model fit compared to Model 1. The second model, including both human

rights and political stability, explains 32.9% of the variance in trade relations. The findings reveal that human rights have a significant positive impact on trade relations in post-Soviet Russia, suggesting that the protection of human rights is crucial for healthy trade relations.

Discussion of Hypotheses

Following the statistical regression, the findings provide partial support for Hypothesis 1, which states that an increase in media freedom, the rule of law, and human rights all positively effect trade relations in post-Soviet Russia. Among the different types of freedoms that were examined, human rights emerged as the variable with the most influence in positively affecting trade relations, in turn, indicating that stricter initiatives to support and promote human rights correlates with a higher flow of trade. The data aligns with the expectations of Repucci et al., (2021), that improvements in human rights create a stable and just society, incentivizing foreign investment and stimulating international trade.

On the other hand, the rule of law demonstrates a significant negative relationship with trade relations, which is counterintuitive as Wendt (1999) expects that through the establishment of a positive international image, in this case by upholding the rule of law, a state can interact more positively with others on both economic and political agendas. A possible explanation for this unexpected result is the complex legal environment present in Russia, where strict enforcement is known to be tainted by governance inefficiencies or corruption, which in turn deters foreign investment and negatively impacts trade. This result implies that, even though the rule of law is generally expected to catalyse economic activities, its prevalence might have negative effects in the case of Russia.

Lastly, the main variable of this study, media freedom, fails to present a statistically significant impact on trade relations, indicating that within the context of post-Soviet Russia, media freedom by itself does not play a vital role in shaping trade relations. These findings

contest the claims by Richter (2008), who argues that a freer media will incentivize foreign investors to shift their interests into that state as an increase in media freedom guarantees more transparency and accountability. Several factors potentially play a role in overshadowing the effects of media freedom including economic and geopolitical policies, and further research is necessary to account for these complex relationships.

Overall, hypothesis 1 is only partially supported by the statistical analysis, as human rights do significantly enhance trade relations, but the rule of law has a negative impact, and media freedom has no significant effect on trade relations. These findings stress the need to consider the complex interplay of other political and economic factors in a state that have their own varied effects on trade relations.

The second hypothesis of this study states that an increase in media freedom has a greater effect on trade relations than the rule of law and human rights, however the data fails to support this prediction. The regression analysis reveals that improvements in human rights are strongly associated with increasing trade relations. Even though media freedom is vital in promoting the free flow of information and ideas, which are used to construct national identities, it does not indicate a significant impact on trade relations. Wendt (1999) argued that international trade is about forming relationships through the diffusion of ideas and information making it a vital component in effecting economic interactions of states. However, the analysis suggests that while media freedom is significant for transparency and accountability, in the case of post-Soviet Russia it fails to present a direct influence on trade.

To conclude, hypothesis 2, that media freedom has a greater effect on trade relations than other freedoms is not supported by the data. The data indicates that human rights have the most direct positive impact, while media freedom and the rule of law fail to exhibit positive effects on trade relations.

Reflection and Conclusion

Answering the Research Question

With a tailored focus on the case of post-Soviet Russia, this study explores the changes in media freedom and their impact on trade relations. The transitional nature of the case offers a unique opportunity to analyse how shifts in media freedom affect international economic relationships following a critical juncture in a state's identity. The research strived to uncover the complex interplay between domestic media policies and international trade positioning, by addressing the research question of: How does media freedom influence trade relations in post-Soviet Russia? By comparing media freedom to a series of other freedoms, this analysis offers valuable insight into their relative effects on trade relations.

Even though Richter (2008) argues that media freedom increases transparency and accountability, thus incentivizing foreign investment and trade, based on the statistical analysis, media freedom failed to show a significant impact on trade relations. This signals that, in the context of post-Soviet Russia, other political or economic factors might be more influential. The claims by Fredheim (2016) also fail to explain the observed results, leaving the effectiveness of Kremlin controlled media outlets on the international perception of Russia up to debate. Overall, the study answers the research question by finding that media freedom does not have a significant impact on trade relations in post-Soviet Russia.

Significant Findings

The results of the analysis revealed crucial insights into the strong positive relationship between human rights and trade relations in the context of post-Soviet Russia. Even though Repucci et al., (2021) argue that a range of freedoms influence economic and political agendas, these findings highlight the role of human rights in international economic interactions, signifying that states with better human rights records are more appealing to foreign investors

and trading partners. An improvement in human rights conditions reduces the risks and uncertainties faced by foreign investors and businesses, in turn leading to a more stable and predictable business environment. Additionally, a state's reputation is enhanced by boasting a strong human rights record, which also makes it more appealing on the global market. These findings stress the opportunity for policymakers to further accommodate initiatives that respect human rights as this can be used to indirectly boost the economic performance of a state.

Strengths and Limitations

The research employs a comprehensive approach that examines multiple dimensions of freedom and their respective effects on trade relations. The integrity of the study is further upheld by employing multiple regression models to effectively isolate the effects of media freedom, the rule of law, and human rights, while controlling for political stability, providing a clear comparison of their relative effects. The use of reputable datasets, such as V-Dem, the World Bank, and Our World in Data, also contributes to the validity and reliability of the findings.

However, the analysis does fall victim to several limitations. One significant limitation is the potential that other unmeasured factors could influence trade relations, as portrayed by the negative relationship between the rule of law and trade relations, indicating underlying complexities that are not captured by this study. Finally, the research is further limited by its focus on a single case study and its small sample size, which may limit the generalizability of the conclusions to other contexts.

Future Research

As the analysis failed to successfully find a significant relationship between media freedom and trade relations in a transitional economy, future research will have to determine

the true effect of media freedom by employing more cases and a higher sample size to increase the likelihood of accurate and generalizable results. By using the trends and patterns of this analysis, future studies can examine if these hold true in other contexts of transitional economies. Additionally, the unexpected negative relationship between the rule of law and trade relations calls for further research. By employing an approach which dwells into the legal and judicial environment in Russia, the counterintuitive findings of this analysis can be clarified and expanded on. By including a range of relevant control variables, a broader understanding of the rule of law and its effects on trade relations can be attained.

In conclusion, this study provides valuable insights into the interplay between media freedom, the rule of law, human rights, and trade relations in post-Soviet Russia. Academically, these findings suggest that traditional views of economic strategies and governance need to be re-evaluated to account for the important role of freedoms in shaping perceptions and thus directly influencing agendas. Societally, on the other hand, the results push for a stronger protection of human rights as they have the means to preserve economic stability and attract new business partners. Finally, policymakers should be incentivized to support the improvement of human rights, as this can yield more favourable trade relations and propel the economic development of a state. Ultimately, this study highlights the significance of freedoms in influencing political and economic policies by deepening the understanding of the factors that shape international trade.

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Appendix A:

Statistical assumptions for the linear regression model on the effect of Media Freedom on trade relations

Autocorrelation

Model Summary ^c											
Imputation Number	Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
1	1	.175 ^a	.031	-.001	13.3697072	.031	.983	1	31	.329	
	2	.463 ^b	.214	.162	12.2391202	.183	6.992	1	30	.013	1.951

a. Predictors: (Constant), Media Freedom

b. Predictors: (Constant), Media Freedom, PoliticalStability

c. Dependent Variable: Trade GDP %

The Durbin-Watson value of 1.951 indicates no autocorrelation in the analysis. Values can range between 0 and 4. 0-2= positive autocorrelation; 2-4= negative autocorrelation. Any value that's >1 or <3 is ideal.

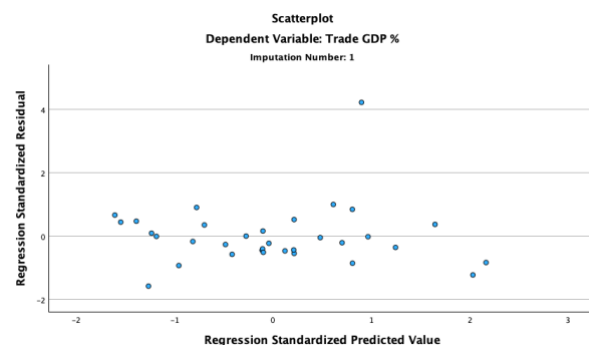
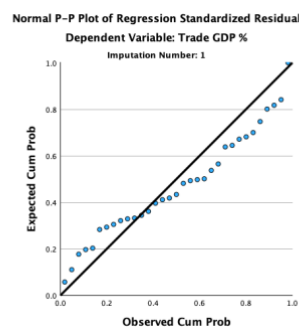
Multicollinearity

Coefficients ^a														
Imputation Number	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics		Fraction Missing Info.	Relative Increase Variance	Relative Efficiency	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF				
1	1	(Constant)	60.172	7.247		8.303	<.001	45.392	74.953					
		Media Freedom	-24.915	25.132	-.175	-.991	.329	-76.172	26.341	1.000	1.000			
	2	(Constant)	32.857	12.277		2.676	.012	7.784	57.930					
		Media Freedom	-5.747	24.121	-.040	-.238	.813	-55.010	43.515	.910	1.099			
Pooled	1	PoliticalStability	-23.020	8.706	-.449	-2.644	.013	-40.799	-5.240	.910	1.099			
		(Constant)	60.172	7.247		8.303	.	.	.			.	.	.
	2	Media Freedom	-24.915	25.132		-.991	.	.	.			.	.	.
		(Constant)	32.857	12.277		2.676	.	.	.			.	.	.
		Media Freedom	-5.747	24.121		-.238	.	.	.			.	.	.
		PoliticalStability	-23.020	8.706		-2.644	.	.	.			.	.	.
a. Dependent Variable: Trade GDP %														

a. Dependent Variable: Trade GDP %

The VIF statistic for the variable, Media Freedom, is within the acceptable range (1-10). A VIF value of 1 indicates that there is no multicollinearity, while values above 1 indicating an increasing level of multicollinearity. As the values of this analysis only range from 1.000-1.099, multicollinearity is not present in the data.

Normality, Homoscedasticity, and Linearity



The assumptions of homoscedasticity and normality are both met; the data points on the Scatterplot are equally distributed representing equal variability and the data on the PP-plot is aligned with the diagonal normality line. As both assumptions of homoscedasticity and normality are met it is not essential to test for linearity.

Outliers and Influential Cases

Residuals Statistics ^a						
Imputation Number		Minimum	Maximum	Mean	Std. Deviation	N
1	Predicted Value	43.4312363	66.7490005	53.3680127	6.18220368	33
	Std. Predicted Value	-1.607	2.164	.000	1.000	33
	Standard Error of Predicted Value	2.146	7.149	3.528	1.100	33
	Adjusted Predicted Value	42.4128113	69.3365326	53.4853689	6.61159029	33
	Residual	-19.2866726	51.6512680	.000000000	11.8504772	33
	Std. Residual	-1.576	4.220	.000	.968	33
	Stud. Residual	-1.650	4.358	-.004	1.010	33
	Deleted Residual	-21.1491737	55.0738525	-.117356190	12.9295772	33
	Stud. Deleted Residual	-1.701	7.072	.077	1.410	33
	Mahal. Distance	.015	9.947	1.939	2.072	33
	Cook's Distance	.000	.419	.031	.077	33
	Centered Leverage Value	.000	.311	.061	.065	33
Pooled	Predicted Value			53.3680127		33
	Std. Predicted Value			.000		33
	Standard Error of Predicted Value			3.528		33
	Adjusted Predicted Value			53.4853689		33
	Residual			.000000000		33
	Std. Residual			.000		33
	Stud. Residual			-.004		33
	Deleted Residual			-.117356190		33
	Stud. Deleted Residual			.077		33
	Mahal. Distance			1.939		33
	Cook's Distance			.031		33
	Centered Leverage Value			.061		33

a. Dependent Variable: Trade GDP %

Std. Residuals > 1.96						
Imputation Number			Frequency	Percent	Valid Percent	Cumulative Percent
1	Valid	1.00	1	3.0	100.0	100.0
	Missing	System	32	97.0		
	Total		33	100.0		
Pooled	Valid	1.00	1			
	Missing	System	32			
	Total		33			

Std. Residuals > 2.58						
Imputation Number			Frequency	Percent	Valid Percent	Cumulative Percent
1	Valid	1.00	1	3.0	100.0	100.0
	Missing	System	32	97.0		
	Total		33	100.0		
Pooled	Valid	1.00	1			
	Missing	System	32			
	Total		33			

Std. Residuals > 3.29						
Imputation Number			Frequency	Percent	Valid Percent	Cumulative Percent
1	Valid	1.00	1	3.0	100.0	100.0
	Missing	System	32	97.0		
	Total		33	100.0		
Pooled	Valid	1.00	1			
	Missing	System	32			
	Total		33			

According to the standardized residuals there is no problem with outliers due to less than 5% of cases having a greater value than 1.96. Furthermore, 3% of the cases are greater than 2.58 and 3.29 indicating a small number of outliers present in the data. However, the cooks distance values in this analysis indicates that there is only a moderate level of influence on the estimated values of the regression coefficients. As the outliers in the dataset are not influential the analysis is not impeded.

Statistical assumptions for the linear regression model on the effect of the **Rule of Law** on trade relations

Autocorrelation

Model Summary ^c											
Imputation Number	Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
1	1	.516 ^a	.266	.242	11.6364723	.266	11.220	1	31	.002	
	2	.595 ^b	.354	.311	11.0939461	.088	4.106	1	30	.052	1.991

a. Predictors: (Constant), Rule of Law
b. Predictors: (Constant), Rule of Law, PoliticalStability
c. Dependent Variable: Trade GDP %

The Durbin-Watson value of 1.991 indicates no autocorrelation in the analysis. Values can range between 0 and 4. 0-2= positive autocorrelation; 2-4= negative autocorrelation. Any value that's >1 or <3 is ideal.

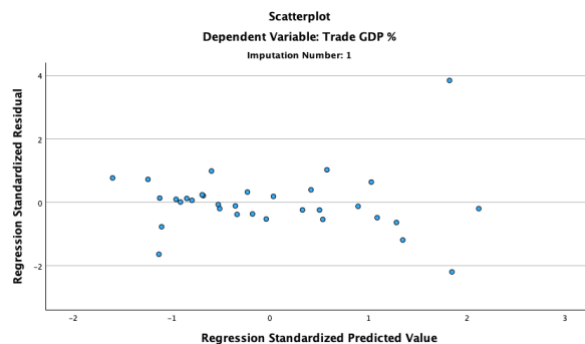
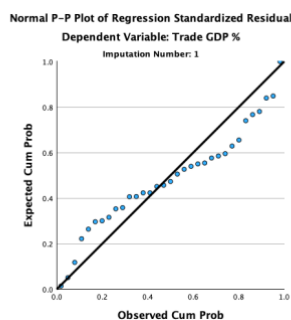
Multicollinearity

Coefficients ^a											
Imputation Number	Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta				Lower Bound	Upper Bound	Tolerance	VIF
1	1	(Constant)	-4.588	17.420		-.263	.794	-40.117	30.941		
		Rule of Law	-64.936	19.386	-.516	-3.350	.002	-104.474	-25.398	1.000	1.000
	2	(Constant)	-7.547	16.672		-.453	.654	-41.596	26.502		
		Rule of Law	-50.719	19.769	-.403	-2.566	.016	-91.093	-10.346	.874	1.144
		PoliticalStability	-16.313	8.050	-.318	-2.026	.052	-32.754	.128	.874	1.144
Pooled	1	(Constant)	-4.588	17.420		-.263	.	.	.	.	.
		Rule of Law	-64.936	19.386		-3.350	.	.	.	.	.
	2	(Constant)	-7.547	16.672		-.453	.	.	.	.	.
		Rule of Law	-50.719	19.769		-2.566	.	.	.	.	.
		PoliticalStability	-16.313	8.050		-2.026	.	.	.	.	.

a. Dependent Variable: Trade GDP %

The VIF statistic for the variable, Rule of Law, is within the acceptable range (1-10). A VIF value of 1 indicates that there is no multicollinearity, while values above 1 indicating an increasing level of multicollinearity. As the values of this analysis only range from 1.000-1.144, multicollinearity is not present in the data.

Normality, Homoscedasticity, and Linearity



The assumptions of homoscedasticity and normality are both met; the data points on the Scatterplot are equally distributed representing equal variability and the data on the PP-plot is aligned with the diagonal normality line. As both assumptions of homoscedasticity and normality are met it is not essential to test for linearity.

Outliers and Influential Cases

Residuals Statistics ^a						
Imputation Number		Minimum	Maximum	Mean	Std. Deviation	N
1	Predicted Value	40.6411858	70.2393036	53.3680127	7.95424660	33
	Std. Predicted Value	-1.600	2.121	.000	1.000	33
	Standard Error of Predicted Value	1.948	6.406	3.217	.930	33
	Adjusted Predicted Value	39.4973907	80.2230453	53.6388515	8.86311279	33
	Residual	-24.2951469	42.7038727	.000000000	10.7416671	33
	Std. Residual	-2.190	3.849	.000	.968	33
	Stud. Residual	-2.682	4.180	-.011	1.063	33
	Deleted Residual	-36.4489326	50.3633995	-.270838848	13.0226885	33
	Stud. Deleted Residual	-3.025	6.361	.043	1.383	33
	Mahal. Distance	.016	9.701	1.939	1.899	33
	Cook's Distance	.000	1.200	.080	.271	33
	Centered Leverage Value	.001	.303	.061	.059	33
Pooled	Predicted Value			53.3680127		33
	Std. Predicted Value			.000		33
	Standard Error of Predicted Value			3.217		33
	Adjusted Predicted Value			53.6388515		33
	Residual			.000000000		33
	Std. Residual			.000		33
	Stud. Residual			-.011		33
	Deleted Residual			-.270838848		33
	Stud. Deleted Residual			.043		33
	Mahal. Distance			1.939		33
	Cook's Distance			.080		33
	Centered Leverage Value			.061		33

a. Dependent Variable: Trade GDP %

|Std. Residuals| > 1.96

Imputation Number		Frequency	Percent	Valid Percent	Cumulative Percent
1	Valid 1.00	1	3.0	100.0	100.0
	Missing System	32	97.0		
	Total	33	100.0		
Pooled	Valid 1.00	1			
	Missing System	32			
	Total	33			

|Std. Residuals| > 2.58

Imputation Number		Frequency	Percent	Valid Percent	Cumulative Percent
1	Valid 1.00	1	3.0	100.0	100.0
	Missing System	32	97.0		
	Total	33	100.0		
Pooled	Valid 1.00	1			
	Missing System	32			
	Total	33			

|Std. Residuals| > 3.29

Imputation Number		Frequency	Percent	Valid Percent	Cumulative Percent
1	Valid 1.00	1	3.0	100.0	100.0
	Missing System	32	97.0		
	Total	33	100.0		
Pooled	Valid 1.00	1			
	Missing System	32			
	Total	33			

According to the standardized residuals there is no problem with outliers due to less than 5% of cases having a greater value than 1.96. Furthermore, 3% of the cases are greater than 2.58 and 3.29 indicating a small number of outliers present in the data. However, the cooks distance values in this analysis indicates that there is only a moderate level of influence on the estimated values of the regression coefficients. As the outliers in the dataset are not influential the analysis is not impeded.

Statistical assumptions for the linear regression model on the effect of the **Human Rights** on trade relations

Autocorrelation

Model Summary ^c											
Imputation Number	Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
1	1	.557 ^a	.310	.288	11.2816103	.310	13.918	1	31	<.001	
	2	.574 ^b	.329	.284	11.3086021	.019	.852	1	30	.363	1.844

a. Predictors: (Constant), Human Rights

b. Predictors: (Constant), Human Rights, PoliticalStability

c. Dependent Variable: Trade GDP %

The Durbin-Watson value of 1.844 indicates no autocorrelation in the analysis. Values can range between 0 and 4. 0-2= positive autocorrelation; 2-4= negative autocorrelation. Any value that's >1 or <3 is ideal.

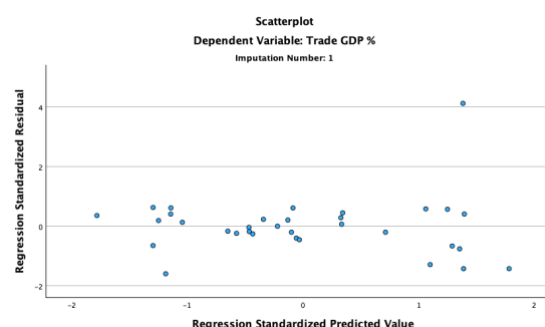
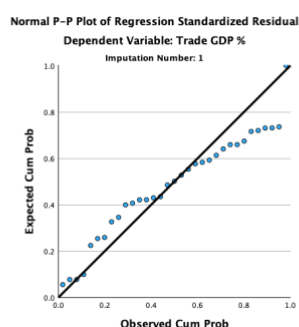
Multicollinearity

Coefficients ^a													
Imputation Number	Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics		Fraction Missing Info.	Relative Increase Variance
		B	Std. Error	Beta				Lower Bound	Upper Bound	Tolerance	VIF		
1	1	(Constant)	15.981	10.212		1.565	.128	-4.846	36.809				
		Human Rights	67.092	17.984	.557	3.731	<.001	30.414	103.771	1.000	1.000		
	2	(Constant)	14.829	10.312		1.438	.161	-6.231	35.890				
		Human Rights	53.349	23.380	.443	2.282	.030	5.600	101.097	.595	1.682		
Pooled	1	PoliticalStability	-9.185	9.950	-.179	-.923	.363	-29.506	11.136	.595	1.682		
		(Constant)	15.981	10.212		1.565	.	.	.			.	.
	2	Human Rights	67.092	17.984		3.731	.	.	.			.	.
		(Constant)	14.829	10.312		1.438	.	.	.			.	.
	2	Human Rights	53.349	23.380		2.282	.	.	.			.	.
		PoliticalStability	-9.185	9.950		-.923	.	.	.			.	.

a. Dependent Variable: Trade GDP %

The VIF statistic for the variable, Human Rights, is within the acceptable range (1-10). A VIF value of 1 indicates that there is no multicollinearity, while values above 1 indicating an increasing level of multicollinearity. As the values of this analysis only range from 1.000-1.682, multicollinearity is not present in the data. However, this variable does show the biggest increase in VIF value, making it relevant to report.

Normality, Homoscedasticity, and Linearity



The assumptions of homoscedasticity and normality are both met; the data points on the Scatterplot are equally distributed representing equal variability and the data on the PP-plot is aligned with the diagonal normality line. As both assumptions of homoscedasticity and normality are met it is not essential to test for linearity.

Outliers and Influential Cases

Residuals Statistics ^a						
Imputation Number		Minimum	Maximum	Mean	Std. Deviation	N
1	Predicted Value	39.7019920	67.0249252	53.3680127	7.66562128	33
	Std. Predicted Value	-1.783	1.782	.000	1.000	33
	Standard Error of Predicted Value	1.982	5.918	3.274	.969	33
	Adjusted Predicted Value	38.1661453	70.2921600	53.4061099	8.00317366	33
	Residual	-18.0055008	46.6104355	.000000000	10.9495069	33
	Std. Residual	-1.592	4.122	.000	.968	33
	Stud. Residual	-1.665	4.327	-.002	1.022	33
	Deleted Residual	-19.6799774	51.3787498	-.038097193	12.2016587	33
	Stud. Deleted Residual	-1.718	6.940	.072	1.404	33
	Mahal. Distance	.014	7.794	1.939	1.829	33
	Cook's Distance	.000	.639	.039	.114	33
	Centered Leverage Value	.000	.244	.061	.057	33
Pooled	Predicted Value			53.3680127		33
	Std. Predicted Value			.000		33
	Standard Error of Predicted Value			3.274		33
	Adjusted Predicted Value			53.4061099		33
	Residual			.000000000		33
	Std. Residual			.000		33
	Stud. Residual			-.002		33
	Deleted Residual			-.038097193		33
	Stud. Deleted Residual			.072		33
	Mahal. Distance			1.939		33
	Cook's Distance			.039		33
	Centered Leverage Value			.061		33

a. Dependent Variable: Trade GDP %

|Std. Residuals| > 1.96

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|Std. Residuals| > 3.29

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	Total	33	100.0		
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