

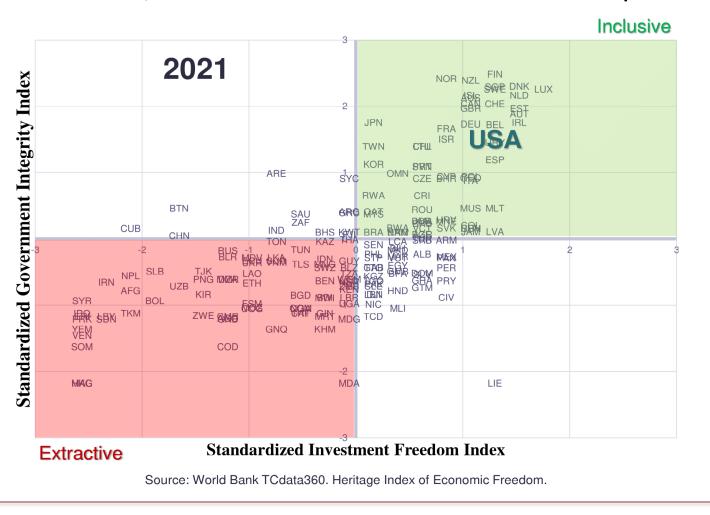
Computational Comparative Institutional Analysis Across Political and Macroeconomic Domains

Penn Undergraduate Research
Mentoring Program

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Introduction

- Cross-country Comparative Institutional Analysis Method of assessing risk through the lens of politics and economics
- Goal Develop a tool for creating cartesian visualizations of and analyzing the relationship between economic freedom, political constraints, and macroeconomic performance indicators, across different countries and time-periods



Methodology

- Synthesized three primary data sources:
- 1. Data Bank published by the World Bank, containing time series data for a variety of indicators. This project uses various macroeconomic indicators within the *World Development Indicators* dataset.
- 2. Index of Economic Freedom created by the Heritage foundation. This project uses the investment freedom and government integrity scores.
- 3. Political Constraint (POLCON) developed by Vice Dean Witold Henisz of the Wharton School, measuring institutional rigidity across national political institutions.
- Merged by ISO-3 Country Code, using ML / transformersbased semantic similarity matching across names

Implementation Details

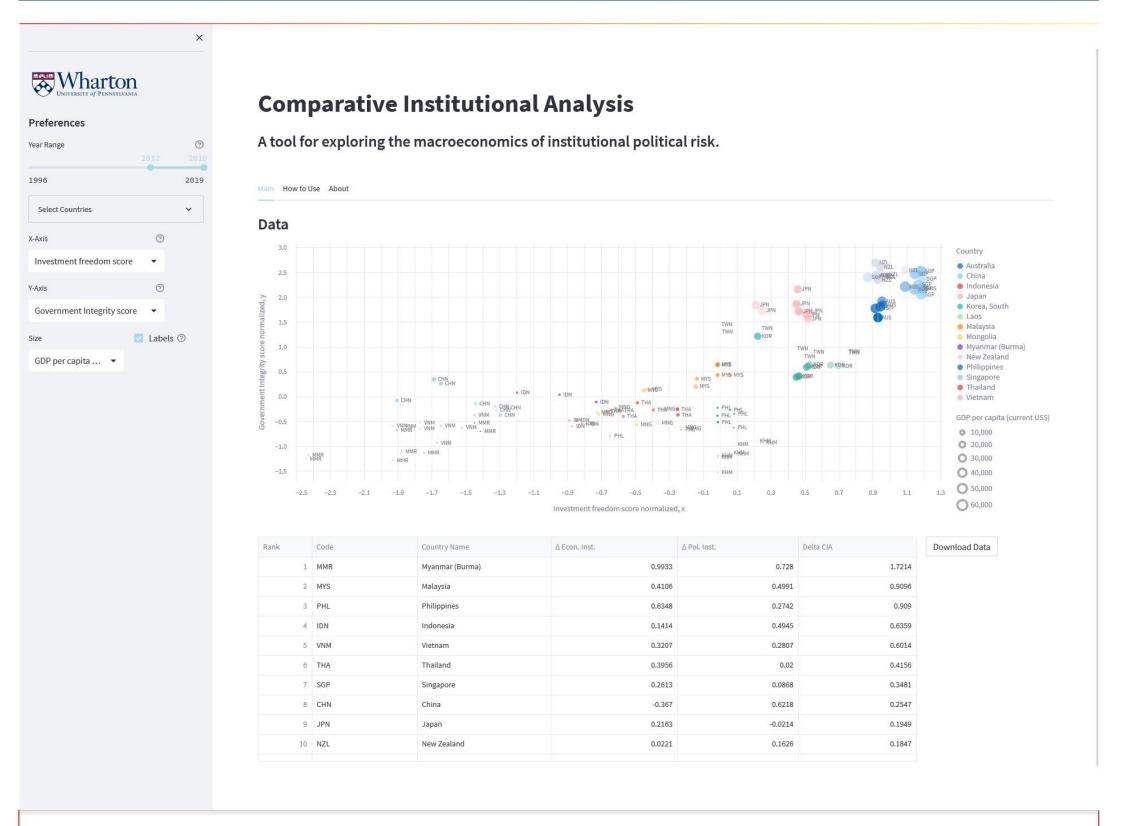
Tooling

- Data processing conducted using Python, pandas library
- Data visualization website created using Streamlit, a Python framework for interactive, data-centric applications

Features

- Select timeframe, countries / regions to consider
- Explore relationships between various political and economic axes
- View and save visualizations and raw data for variables, particularly for normalized time deltas

Figure 1: Live Website Demo

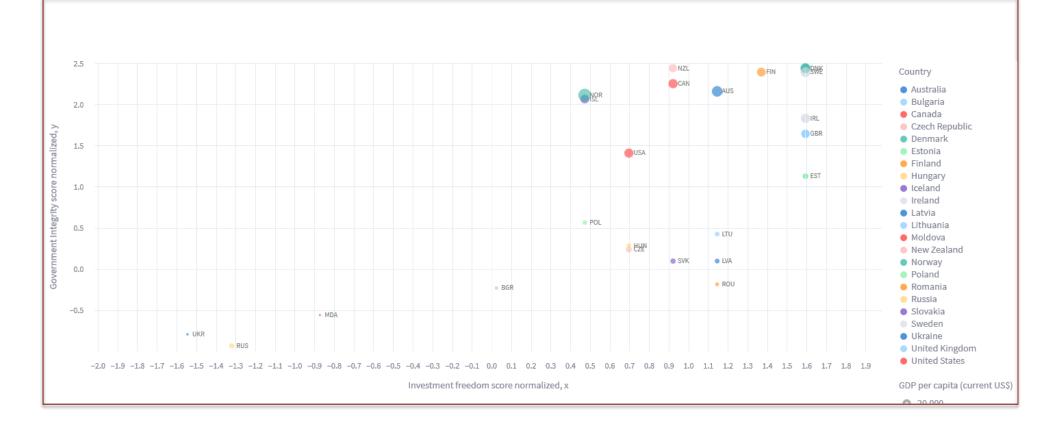




- Hosted at ciaframework.streamlit.app
- Save and share visualizations using the "Download Data" button or the "Save as PNG" option under the top-right chart dropdown

Conclusion

Analyzing relative changes in economic and political regimes between countries is crucial in predicting key indicators of economic performance and business risk.



Sources

Pongeluppe, L. S. (2023) "Comparative Institutional Analysis (CIA Framework)." The Wharton School, University of Pennsylvania

The World Bank Group (2023) "World Development Indicators"

Kim, Anthony B. (2023) "2023 Index of Economic Freedom" The Heritage Foundation

Henisz, Witold J., Zelner, Bennet A. (2000-2022) "Measures of Political Risk"