



Research article



Do institutional governance and state fragility affect institutional quality in Asian economies?

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ABSTRACT

Institutional Quality (IQ) and Institutional Governance (IG) are multi-dimensional concepts influenced by many indicators, making them researchable. Moreover, IQ in Asia is trending due to a diversified economy and development pattern. This paper investigates IQ in 25 Asian countries from 2009 to 2020 by taking Country Policy and Institutional Rating as a proxy of Institutional Quality as a dependent variable, State Fragility (SF) determinants, and Institutional Governance (IG) as independent variables. The two-step GMM estimation shows that IG determinants, corruption control measures, political stability, and voice and accountability environment significantly impact IQ and development in Asian economies. On the contrary, External Intervention in policy and state affairs and SF have an adverse effect on the IQ and demote the country's development progress. It concludes that IQ in Asian economies has been substantially influenced by the IG and SF determinants.

1. Introduction

Public institutions are the main body of any government through which it can showcase its expertise; governance is a process. This process must go through some factors that affect its quality, positively or negatively. State Legitimacy and other public services factors affected government institutions' performance, e.g., governance ruling [1]. Government structure and governance are different, and we can analyze government effectiveness by reviewing the governance process through its institutions [2]. The quality of institutions is essential to delivering public services and getting public confidence. Quality in the workforce, governing rules, corporate environment, financial facilities, and performance accountability have been considered different. Mismanagement/malpractices of the above factors

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can deteriorate public institutions' performance and accountability.

International institutions like the World Bank, United Nations, Internal Monetary Fund, and other agencies¹ issue time-to-time parameters and publications worldwide on economic and governance conditions. The purpose of these publications by using these reliable data, economists, and experts to make a rational analysis and forecasting for their planning and policymaking. The World Bank and International development agency (World Bank Group) have defined state indicators to investigate countries worldwide' public policy effectiveness and institutional performance [3,4].

The world is a global village where different cultures and nations can utilize their administrative pattern. Every nation has its public institutions having other systems under which they get different social services according to their available resources. Comparative Public Administration (CPA) is a scenario that explores the similarities and differences between the administration and governance practices worldwide; indeed, it also helps to enhance the development of under-performed nations and eradicate the malpractices of administration practices across the world [5].

CPA is limited to exchanging knowledge and expertise at the government level and exchanging and sharing the expertise of regional, social, cultural, and political administration systems and behavior across the world. Every nation possesses diversified expertise in various fields; some countries lack governance and institutional efficiencies. So, through CPA, these differences and similarities are used to benefit one nation. For example, in the Chinese labor force, many developed countries use this Chinese workforce for their manufacturing contracts with China, enhancing the manufacturing capacity and growth of the host country and China. It has been called a Win-Win situation in simple or business terms, where both countries take advantage of their expertise [6,7].

In this article, we examine the impact of governance and fragile state indicators on the quality of public institutions in 25 selected Asian economies by taking the Country Policy and Institutional Assessment rating as its measure, which has not been used to measure institutional quality in previous research yet. Analysis of countries' institutions under Country Policy and Institutional Assessment Quality (CPIAQ) makes the study valuable to existing literature. CPIAQ will help provide a better and more comprehensive understanding of the institutions' quality assessment because it sells its public services on institutional platforms. This panel study shows that a single study's literature on panel Asian countries with institutional governance and state fragility indicators is scant [8–10].

The study also takes institutional quality as a dependent variable instead of an independent one, which most studies have taken before [11–16]. With this study, an insight into selected Asia economies' governance practices and their effects on other countries can be examined in a simplified way [17,18]. In the past study, Bertocchi and Guerzoni [19] applied the Country Policy and Institutional Assessment and state fragility nexus in African countries, and Nguyen and Vo [20] discussed the corporate governance in banks in ASEAN; however, no study has explored the further analysis of CPIA in other regions yet, which makes this study interesting and fills the gap. This study tried to fill the gap of the last ten years by covering other regions to make a comprehensive study and focusing on the Sustainable Development Goals that emphasize strengthening the institutional development for state development. Moreover, this study applied the notions of system management theory rather than traditional grand theories of governance, public administration, and international development that make this study innovative in social sciences literature. It denotes that just like a system, institutional quality also depends on the various input factors that determine the performance and institutional delivery [21–26]. This research will encourage state holders and economists to exercise more improved and compatible policies in public institutions according to their potential so the governance meets the suitable criteria.

The rest of the paper consists of 5 sections; the first section describes the study's introduction, purpose, and aim with some essential concepts, part two comprises literature and hypothesis, and part three explains the methodology and theoretical framework. Moreover, section four describes the results and findings, and section five consists of a discussion and conclusion with policy implications. We used interchangeable terms² throughout this study for explanation and analysis; the purpose of explaining this is to make it comprehensive.

2. Literature review and hypotheses development

The public institution is vital to the country's progress and welfare. Moreover, public institutions operate under the direct control of ruling parties, directly affecting the institutions' performance. The ruling political party can use its discretionary power to get an unauthorized advantage from institutions [27]. Less importance has been given to elected officials' relations and accountability in public institutions [28], deteriorating institutions' quality.

Gebauer [25] used a modernized concept of system management theory for service providing and institutional interaction. He argued that well-established policy planning inputs and mechanisms enhance the quality of the service as output through the input (institutional actors). Policymakers consider system abnormalities (institutional and state vulnerable factors) affecting service delivery

¹ COFACE defined some parameters which are used by the foreign investors to predict and analyses the risk condition of the debtor country via Country Risk Assessment (CRA). IMF defined 16 indicators of 4 clusters to check the public policy assessment via CPIA (Country Policy and Institutional Assessment). FFP defined 12 indicators of 4 clusters to check the fragility of the state in economic, social, cohesion, and political domain. Transparency International conducts surveys to check the corruption prevalence rate across the world. All these and some other global agencies have their indicators, and measurement ranges e.g., Percentages, low to large scale, contrary to positive scale values, 1–10 points, and some rate scores 1–100 with rank across the world.

² Country Policy and Institutional Assessment in terms of Public Administration Rating as CPIAQ, Corruption Prevalence Rate/Index as CPI, Fragile State Index or state fragility as FSI, Control of Corruption as CC, Political Stability as PS, Voice & Accountability as V&A, External Intervene as EI, quality of Institutions as QI and Comparative Public Administration or Comparative Administration as CPA.

and quality in this process. The more profound analysis stated that a system management concept catered to the internal and external factors affecting delivery services [26].

Quality of Institutions and government are analogously used in studies because the effects of government quality are referred to as Input and Institution quality as output [29]. The quality of institutions reflects acceptable governance practices through six dimensions; the rule of law, morals, participation, accountability, optimum utilization of resources, and policy implementation [30]. Macroeconomic external factors and internal issues such as corruption and government inefficiency affect the performance of the institutions. Good Institutional quality is also used to resolve public service delivery issues [31].

Institutional quality affects many factors; corruption is the most widely affected factor. Transparency International defined corruption as the exploitation of commended power for private gain. Corruption classification³ and activities such as nepotism, embezzlement, and bribery are present worldwide. However, corruption affects static inefficiency, but it also harms development and growth [32]. Corruption is not an attribute of a particular country, industry, culture, or sector. It affects the private and public sectors, poorly designed or well-defined organizations, and even regulatory institutions in different forms [33]. Therefore, organized corruption⁴ has remained a significant obstacle in developing developed countries [34].

Anti-corruption reforms and crackdowns are significant measures to analyze the control of corruption. Corruption is malpractice used in institutions with dramatic economic and political consequences [35]. Different scholars have studied corruption and institutions' relationship with different approaches. Some empirically evidenced that institutional practices and quality affect the prevalence of corruption [36] and other macroeconomic factors, whereas others say the quality of institutions is affected by the level of corruption [37]. Scholars also evidenced that corruption affects economic growth through institutional settings/practices [38]. Transparency International⁵ also issues a barometer from time to time to analyze and assess the corruption prevalence index,⁶ which directly reflects the control measures of the relevant governance practices.

H1. Corruption has a negative impact on CPIAQ (Indicator CPI)

The World Bank defined Six World Governance Indicators – WGI, which affect institutional quality in different dimensions [3]. Political stability is the integrity and robustness of the government and its policies. It also reflects the government's ability and flexibility to adapt the strategies per the prevailing condition. However, for both government and political stability, both terms are mutually contingent. Good governance always focuses on developing and promoting a transparent environment within a country. An accountable political environment reflects a good governance practice [35]. Moreover, bipartisan government and its institutional policies' preferences also hamper political stability [7,39].

H2. Political Stability has a positive impact on CPIAQ

Freedom of speech and the right to public participation in government electing is measured as a world governance indicator under voice and accountability. It also emphasizes the public right to raise a voice against corruption and other wrongdoings in society as a responsible citizen. It has been evidenced that the public cannot raise their voice due to fear of retaliation [40]. Public administration and studies focus on political accountability by acting against wrongdoers [36]. Freedom of speech and a corruption-free environment are primary governance goals in an institutional capacity by developing accountable ethics in its workforce to their actions [41]. Public participation is also an excellent context for knowledge sharing. It gets their trust in government [42], a unique sign to promote an accountable environment within a country, and an excellent impression on investors' investment perspectives. Voice & accountability is mostly a matter of concern in developing and underdeveloped countries; however, as per EU directives, they are also uncertain whether to efficiently provide complete rightfulness to voice raiser [43].

H3. Voice & Accountability has a positive impact on CPIAQ

Apart from institutional and governance factors, some other state factors and conditions affect the quality of institutions. State fragility indicators are considered the public's well-being tool in this context. The state's fragility means weak social, economic, and political governance with low state legitimacy. The World Bank defined a fragile state with less than 3.2 rating scores regarding Country Policy & Institutional Assessment (CPIA).⁷ Fund for Peace⁸ also published a yearly report considering state fragility indicators as the Fragile State Index (FSI). A country considered a fragile state⁹ has more scores in FSI and vice versa. Research on a qualitative comparison of FSI in developing and underdeveloped countries [44]. However, very few observed the quality aspect of institutions by

³ Grand corruption happening in mismanagement and malpractices of Policy implementation, petty corruption, which is government officials do in their daily routine of activities by interactions with public and last one political corruption government official and elected parties to use its power to manipulation of institution resources and rules.

⁴ Corruption in public accounts/funds by the government officials as per the World Bank and World Economic Forum.

⁵ A non-governmental international organization that issues corruption reports and conducts surveys and awareness among masses about anti-corruption strategies.

⁶ Transparency International (TI) issues yearly CPI of 180 countries across the globe with ranking and scores. Where higher the scores, the worst the condition of corruption.

⁷ These broad terms also classified into the quality of PA rating, Macroeconomic rating, financial rating, gender equality rating.

⁸ A United States, think tank to study the policies assessment and analysis.

⁹ Fund for Peace (FFP) issued yearly reports of 16 indicators with 4 clusters where Developed countries have low FSI than developing countries and in the last under-developed countries.

using FSI. However, Scholars use these FSI to analyze the institutes' economic growth, which delivers public services to citizens [45]. If an institution's performance and delivery are trustworthy, it is considered that the state is less fragile and the economy is on the right path [6].

H4. State Fragility has a negative impact on CPIAQ (Indicator FSI)

Illegal Intervention in the country's internal matters through money & power always leads to unworthy and weak governance. It also affects external investors and bilateral agreements with other countries. Fund for Peace counts this indicator under the political cluster of its measurement; however, the researcher used survey methodology [46] to analyze the relationship between these variables instead of index values. The state is fragile and mainly intervenes through external agencies and other countries [47]. COFACE¹⁰ rates the country's risk assessment per their economic and security conditions. The Global Peace Index¹¹ Also an indicator used to predict an external intervention condition of the country.

H5. External Intervention has a negative impact on CPIAQ

The Comparative Public administration scenario has developed all the above hypotheses to achieve the study objective. Comparative Public Administration is not a new concept to study or research in Public Administration (PA). Public administration itself is a broad field. PA is a process that examines the government's administrative activities and their dimensions in a comparative context [48]. CPA analyses the same country's comparisons with different industries, sectors, or time of span [49] or from a global perspective [50]. The comparative approach is used for the political/country/institutional analysis of different countries where the same problem, condition, and environment exist, making it possible to explore significant results [51]. Researchers or analysis tools can use CPA for individual or multi-case analysis [52]. Investigations were already done in different countries and varied according to conditions for the comparative analysis to address Public Administration issues [53]. Scholars also used amalgamated management models with public administration context to draw different results and approaches [54]. Researchers have used recent studies and procedures to find new methodologies and analyses to validate results by comparing countries' inequities [55–57].

3. Theoretical framework and methodology

3.1. Theoretical framework

This paper frames the theoretical framework by considering its selected variables in Fig. 1. The below-mentioned figure explains the relationship between Country Policy and Institutional Assessment in terms of the Quality of Public Administration rating, Governance, and fragile state indicators. It describes the dependent at the center and the independent variables at the peripheral. The positive sign depicts the positive impact on institutional quality, and the negative sign expresses the adverse effect of individual determinants on the quality of public institutions.

3.2. Data & methodology

The study has taken the CPIAQ quality of Public Administration rating as a dependent variable to measure institutions' quality (See Table 1). To measure independent variables such as the Corruption Prevalence Index (CPI), Fragile States Index (FSI), Control of Corruption (CC), External Intervention (ExI), Voice & Accountability (V&Ac), and Political Stability (PSt) have taken. Moreover, 25 Asian Economies (see appendix A) with their last ten years' data from 2009 to 2020 have been considered.

This study investigates the loopholes and needs attention to governance indicators hindering good CPIAQ ratings in Asian economies. This study is based on secondary data extracted from the World Bank and the Fund for Peace. As per standard measurement concerns, the higher the CC, PSt, and V&Ac, the better the country's condition; however, for FSI and ExI, the higher the rating shows, the worst the country's condition. Fixed Effect methodology has been applied to examine the impact of governance and fragile state indicators on the quality of public institutions OLS (Ordinary Least Square) [19,58,59].

The study analyzed the results via the two-step GMM (Generalized Method of Moments) to make the research more accurate [60]. Arellano efficiently used GMM estimation in 1991 to control autocorrelation, endogeneity biases, measurement errors, and omitted variables [61]. In this study, we used a panel of 25 countries with a time horizon of 12 years, and as per GMM applicability, N should be greater than T (N = 25 and T = 12). GMM control measurement error is most likely to be considered in studies [62,63]. Researchers used this technique to check the first-order differences, and the failure to reject the null hypothesis that no second-order difference implies that the error term is serially uncorrelated. Moment's condition correctly specified (AR2) estimation >0.05 to support the study [64].

GMM is best suited to control autocorrelation among independent variables and error terms, which might affect the results' accuracy [65]. Moreover, to check the instrument suitability and choice, the Hansen test applies [66], and the Sargan test applies to control over-identifying restrictions in methodology [6–8,67].

As per Roodman [63] and Ali et al. [68], AR (1) should be less than 0.05%, and AR (2) should be more than 0.05% significant level for results accuracy, model reliability, and overcoming the insignificant effects of AR (1). Moreover, Hansen's value should be 0.10 to

¹⁰ A French-based company with more than 100 outlets worldwide analyze countries' risk assessment around the globe monthly.

¹¹ Institute of Economics & Peace annually issue a global peace index based on security and stable political conditions of the countries.

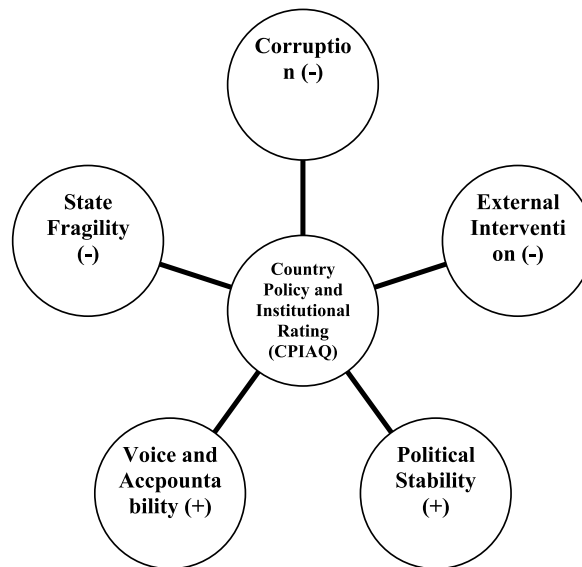


Fig. 1. Hypothesized Research Framework, based on literature and results. Authors' Estimation.

Table 1
Variables Measurement and their sources, Authors' Estimation.

Variables	Type	Scale	Description	Period	Sources
Country Policy & Institutional Assessment of Public Administration Rating (CPIAQ)	Dependent	Range 1 (Low)-6 (High)	It depicts the quality of public institutions in terms of the quality and performance of their services delivery to the general public	2009–2020	The World Bank Database (World Bank Group)
Corruption Prevalence Index (CPI)	Independent	Range 1(High Corruption)-100 (no or low corruption)	Scores show the level of corruption/ corruption-free environment in the country	2009–2020	Transparency International (TI.)
Fragile State Index (FSI) & External Intervene (ExI)	Independent	Scores Shows (1 - Agile to 10 - Fragile)	The lower scores mean the state condition is good and the country is prosperous, while high scores tell the country is at risk or in bad condition due to analyzed factors.	2009–2020	Fund For Peace (FFP)
Political Stability (PSt), Control of Corruption (CC), Voice & Accountability (V& Ac)	Independent	Range –2.5 (the worst) to +2.5 (the best)	These scores –2.5 show lousy governance practices in the country in selected contexts, and +2.5 offers the ideal or an excellent governance practice in the country to strengthen the institutions	2009–2020	World Governance Indicators (WGI) defined by the World Bank (WB.)

0.30, while the Sargan value should be above 5%.

3.3. Econometric model

$$CPIAQ = \int (CPI, FSI, ExI, CC, PSt, V\&Ac)$$

Static Model:

$$CPIAQ_{\mu,\tau} = \beta_0 + \beta_1(CPI)_{\mu,\tau} + \beta_2(FSI)_{\mu,\tau} + \beta_3(ExI)_{\mu,\tau} + \beta_4(CC)_{\mu,\tau} + \beta_5(PSt)_{\mu,\tau} + \beta_6(V\&Ac)_{\mu,\tau}$$

Dynamic Model:

$$CPIAQ_{\mu,\tau} = \beta_0 + \beta_1(CPIAQ)_{\mu,\tau-1} + \beta_2(CPI)_{\mu,\tau} + \beta_3(FSI)_{\mu,\tau} + \beta_4(ExI)_{\mu,\tau} + \beta_5(CC)_{\mu,\tau} + \beta_6(PSt)_{\mu,\tau} + \beta_7(V\&Ac)_{\mu,\tau}$$

CPIAQ - Country Policy and Institutional Assessment regarding the quality of Public Administration rating is considered a response variable. The Corruption Prevalence Index (CPI), Fragile States Index (FSI), Control of Corruption (CC), Political Stability (PSt), External Intervention (ExI), and Voice and Accountability (V&Ac) are denoted as explanatory variables. At the same time, μ is for the error term, and t is for years.

4. Results and analysis

4.1. Pearson's correlation

In this study, 25 Asian economies with a time horizon of ten years (2009–2020) were analyzed, and the results are significant; however, some variables are insignificant, and the overall significance level supports our research hypotheses. Table 2 shows the correlations between CPIAQ and its determinants. Results show that Control of Corruption with a 90% significance interval, Voice & Accountability, and Political stability positively correlated with CPIAQ. Simultaneously, Corruption Prevalence Index, State Fragile determinants, and External Intervention show negative relationships, supporting this study's hypothesis. However, corruption and institutional governance correlate more to institutional quality than state fragility and governance determinants, as per Table 2.

4.2. Static and Dynamic estimation

Table 3 depicts Static and Dynamic (OLS & Fixed Effect) estimations in columns 1–4. Column 0.1 explains static OLS estimation results. Fragile State Index, Political Stability, Control of Corruption, and Voice & Accountability significantly impact CPIAQ. However, Corruption Prevalence Index and External Intervene with a 95% confidence interval have insignificant impacts on CPIAQ, and the r2 value is 0.102. In the Static Fixed Effect in Column 2, all explanatory variables have significance on CPIAQ except CPI, with an r2 value of 0.158 supporting this research. Column 0.3 consists of the OLS Dynamics technique, which states that Control of Corruption significantly impacts CPIAQ, and the rest of the variables are insignificant on CPIAQ with an overall considerable value of (r2) 0.832, which shows a substantial effect on CPIAQ. In column 4, all explanatory variables significantly impact a dependent variable (CPIAQ) with a significant value of r2 is 0.447.

4.3. Two-step system GMM estimation

Column 5 of Table 3 illustrates the results of the Two-step System GMM. As per the analysis, Control of Corruption, Political Stability, and Voice & Accountability shows a significant positive impact on CPIAQ with a 95% confidence interval, whereas; the Corruption Prevalence Index, Fragile State Index, and External Intervention have an insignificant effect on CPIAQ. We tested the zero correlation in first-order differences by applying the Arellano-Bond test. Analysis depicted that AR [1] = -1.575 with p-value = 0.011; $p < 0.05$, 5% Confidence interval, which shows the auto and serial correlation in first-order differences.

As per AR [2] = -1.486 with p-value = 0.137; $p > 0.05$, 5% Confidence interval, which depicts null hypothesis of 2nd order differenced is not accepted which AR [2] is not statistically significant at 5% confidence interval. As per Hansen-Sargan Test, the Sargan value = 107.8 with p-value = 0.085, which shows over-identifying restriction present, as per the Hansen test value = 4.677 with p-value = 0.23, which fails to reject the null hypothesis and to back this study.

4.4. Discussion

The study results and analysis showed that governance practices have significantly impacted institutions' quality. Corruption is the biggest evil in institutions and affects their performance, which needs to cure [27,69]. Corruption control measures are also examined simultaneously [38], supporting the study results in all estimations. However, mere corruption is not responsible for institutions' deterioration [70] because other State-fragile factors such as demographic, legal, and business regulation also significantly affect institutional quality. These volatile indicators should consider taking corrective action in social, economic, security, and political context [44] for the well-being of the public [45] in developing and under-developed countries [7,8,71].

Some Fragile state indicators do not show clear pictures in combination, which need to be studied separately as External Intervention shows a significant impact on institutions' quality, which has already been evidenced by the studies [19,46,47]. In panel data study observed that the fragility index value has less robust results than an individual indicator as used in this study [44,45,71]. Voice & accountability also have significantly impacted institutional quality. V&Ac's public participation can be enhanced, affecting the QI [36]. V&Ac is also helpful in improving institutional capacity and education level to deal with public service delivery [38] efficiently.

In short, governance and fragile state factors have significantly impacted individual capacity on the Quality of Institutions and different states with *Ceteris Paribus* of their development status. This work showed that external Intervention adversely affects the

Table 2
Results of correlation analysis, authors estimation.

Variables	(CPIAQ)	(CPI)	(FSI)	(PSt)	(CC)	(ExI)	(V&Ac)
CPIAQ	1.000						
CPI	-0.161*	1.000					
FSI	-0.001	-0.724***	1.000				
PSt	0.072***	0.565***	-0.724***	1.000			
CC	0.155*	0.969***	-0.676***	0.559***	1.000		
ExI	-0.073	-0.427***	0.601***	-0.454***	-0.379***	1.000	
V&Ac	0.085**	0.692***	-0.667***	0.244***	0.645***	-0.364***	1.000

***p < 0.01, **p < 0.05, *p < 0.1.

Table 3
Regression analysis, authors estimation.

VARIABLES	Static Model		Dynamic Model		
	OLS	Fixed Effect	OLS	Fixed Effect	Two-step System GMM
CPIAQ			0.911***	0.552***	0.884**
Corruption Prevalence Index	-0.006	-0.006	-0.046	-0.091	-0.389
Fragile State Index	-0.015	-0.016	-0.002	0.005	-0.025*
Political Stability	0.016	0.029	-0.007	-0.01	-0.014
Control of Corruption	-0.011	-0.024	-0.002	0.022	-0.01***
External Intervention	0.191	0.059	-0.005	-0.015	-0.028
Voice & Accountability	-0.148	-0.246	-0.02	0.031	0.004***
Constant	0.079	0.334	-0.073	-0.15	0.101
Observations	-0.279	-0.561	0.065	0.392	0.386**
R-squared	-0.097**	0.083	-0.139	-0.24	-0.188
AR1	-0.049	-0.112	-0.002	0.06	-0.014**
AR1p	0.186	0.393	-0.023	-0.07	-0.049
AR2	-0.158	-0.236	-0.014	0.235	0.019***
AR2p	3.356***	1.191	-0.076	-0.197	0.736
Sargan	-1.118	-1.56	0.582	-0.411	2.347*
Sarganp	148	148	-0.575	-1.311	-1.353
Hansen	0.102	0.158	0.832	0.447	135
Hansenp					
chi2					-1.575
chi2p					0.011
No. Of Instruments					-1.486
Number of Country		25		25	0.137
					107.8
					0.045
					4.677
					0.230
					16,881
					0
					21
					25

***p < 0.01, **p < 0.05, *p < 0.1.

CPIAQ in Asian economies; however, some other institutional governance absorption also simultaneously affects the same, which has more robust results than previous studies [72–77]. The findings also endorsed the theoretical aspect of system management theory that focused on that in social sciences, some social and political units determine and influence the working of the institutions, and these units or factors can be internal and external [21,26].

This study used a panel of developed, developing, and underdeveloped countries, a comprehensive analysis to check governance performance and their implication for strengthening its institutions better. As China used its overpopulation and poverty crisis, Japan's Emergency management and many other insights into governance practices with institutional capacity development can be reviewed and indicate future study directions global perspective.

A global assistance is needed in the low or none external Intervention in policy, regulatory quality, and law & order matters. International agencies United Nations, the International Court of Justice (ICJ), and other agencies rely on their government's effectiveness and are internally stable. It concludes that IQ in Asian economies has been substantially influenced by the IG and SF determinants. However, regional collaboration and support can promote regional and sustainable development in Asia. The prominent players (China, Japan, South Korea, and Gulf Countries) should give hands-on financial and managerial expertise to improve the quality in the least-performing countries. The UN's SDGs are integrated into nature, which means that with all sustainable development goals, countries should also integrate and support each other to get mutual benefits, just like a win-win situation. Focusing on this dimension, prominent players can play a vital role in the institutional development of the least performing countries so they will be stable and play a good part in regional development and capacity for bilateral trade and economic and social activities. Countries should benefit from the expertise and good governance of other countries.

5. Conclusion and policy implications

This study investigates the Quality of Public Institutions based on Country Policy and institutional assessment of public administration and governance and state fragility determinants in Asian economies. The above findings and discussion show that the governance indicators and clear policy implications significantly impact the public institution's performance and positively correlate with a corruption-free environment and political stability. Most of the research was conducted on institutional quality regarding financial variables; however, this study considered governance and state fragility measures in one study.

This study used Asian panel analysis for institutional assessment and quality. Results proved that a corruption-free environment, political stability, and accountability environment are the most significant factors for institutional quality, ultimately stimulating the

economy's performance or growth. It gave a more profound analysis of the governance practices because most studied countries are developing economies suffering low Human Development Indices and overpopulation crises. It also concludes that state fragility with low social, economic, and political cohesion adversely affects the CPIAQ. Furthermore, external Intervention from political, economic, social, and regional forces harms the institutional quality by exerting pressures on state institutions with standardization and regulations implementations without accessing the institutions and state capacity and resources assessment.

6. Future research directions

For future studies, qualitative and quantitative combined variables analysis could check the institutional quality through this CPA scenario by adding more countries or time-series data. External and control variables can also be added to analyze cultural influences and economic growth. Along with the panel study, the impact of individual institutional governance determinants on a single country can be an excellent approach for in-depth quality analysis of public institutions in Asian economies. Moreover, this study has used WB and IT more comprehensive and generalized descriptions of selected variables to simplify and avoid complexity to enhance readership and understand potential researchers. A segment-wise analysis of the panel data based on their development status and geographical dimensions would also be an excellent study direction that helps in-depth analysis of the governance issues in Asia and other regional countries.

Authors contribution statement

Deyo Miao: Conceived and designed the analysis; wrote the paper.

Samreen Gillani: Contributed reagents, materials, analysis tools or data; wrote the paper.

Hafiz Syed Mohsin Abbas: analyzed and interpreted the data. Wrote the paper.

Hongfeng Zhan: Conceived and designed the analysis; wrote the paper.

Data availability statement

The Sharing data compromises ethical standards; authors are not expected to share it unless and until researchers request data."

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Declaration of competing interest

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

Appendix A

List of sample countries.

Afghanistan	Azerbaijan	Bangladesh	Bhutan
China	India	Indonesia	Iran
Japan	Kazakhstan	Kyrgyz Republic	Malaysia
Maldives	Mongolia	Nepal	North Korea
Pakistan	Russian Federation	South Korea	Sri Lanka
Tajikistan	Thailand	Turkey	Turkmenistan
Uzbekistan			

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