

Abstract

This research explores the impact of geopolitical risks on global investment decisions, using a mixed-methods approach to provide a comprehensive understanding of how such risks shape investment behavior. In an era of increased political instability and shifting power dynamics, the study examines how both institutional and individual investors respond to geopolitical risks in various regions. Through a combination of qualitative case studies and quantitative analysis, this study offers insights into the complex relationship between global political uncertainty and investment strategies.

The mixed-methods approach combines in-depth interviews with key stakeholders, including investors, analysts, and policymakers, alongside statistical modeling to analyze investment trends. The case study focuses on several high-risk geopolitical regions, allowing for a nuanced understanding of how different types of risks—such as armed conflicts, trade tensions, and policy changes—affect investment flows. By integrating qualitative data with investment trend analysis, this research reveals the underlying factors that drive investor decision-making in response to geopolitical uncertainty.

The findings suggest that while geopolitical risks generally lead to a decrease in global investment, the response varies depending on the investor's risk tolerance, investment horizon, and regional focus. Additionally, the study highlights the growing importance of diversification and the use of alternative investment strategies as mechanisms for mitigating the effects of geopolitical volatility. This research contributes valuable knowledge to the field of international finance and geopolitics, offering recommendations for investors and policymakers navigating an increasingly volatile global environment.