

Example of book review on power and prosperity

[Business](#), [Marketing](#)



Power and Prosperity: Outgrowing Communist and Capitalist Dictatorships is a highly acclaimed book written by Mancur Olson. The author has modishly associated the economics with the social and political systems in this book.

Mancur Olson is a famous economist and American academician who is known for his innovative ideas and contributions in the economics. This paper discusses author's ideas and other related aspects of the Power and Prosperity: Outgrowing Communist and Capitalist Dictatorships.

Olson represents his thoughts in a very different and logical form, he says that when a wandering bandit robs, he takes everything but when a stationary bandit robs, he takes only as much as he can without hampering his source of future revenue. The author says that a government starts behaving as a stationary bandit when the government realizes the reasons of its continued reign. Further it has been analyzed that a wandering bandit has a smaller interest in the society but the stationary bandit has a larger interest and he keeps trying for the control over the ruling system to ensure his future interests. He adds that this situation is harmful for the people and there should be a system of checks and balances in any democratic system .

While mentioning the democracy as a better ruling system than autocracy and dictatorship he says that the democratic system though has some edges over its peers but it causes the birth of some interest groups and also encourages lobbyism. Mancur Olson describes self interest as the motivating power for the development. He further adds that self interest inspires people to develop and society can step forward towards the democratic setup due to spirit of self interest only. He explains how interest groups build pressure on the government to implement the development plans in the society. He

has also mentioned that the lobbying is not good for the society as it ensures the interest of few people of the society.

The author discusses the relationship of market and says that they emerge instantly without any effort of enforcement and support from the government. Markets sense the probable opportunities of benefits and discover the potential trade that may produce the profits. The author has termed the markets as “ self enforcing markets” which form rules and regulations for their own operation. The book discusses several ideas related to the markets and also talks about the several complexities related to the markets. Author has discussed that there are some situations that can not be dealt without creating specific rules and regulations which are oriented to the markets.

Work Cited

Olson, Mancur. Power and prosperity: outgrowing communist and capitalist dictatorships. New York: Basic Books, 2000.