

For long I have been interested in knowing what makes some nations more wealthy and prosperous than others. It is a question that **could have been** raised by individuals in some underdeveloped nations, decades ago, by comparing their status quo with the developed nations of the west after viewing some magazines, reading some books, or watching movies that reflect the modernity and the political and economic “inclusiveness” in the western world. Nowadays, in the so called postmodern age, in which social media and communication technologies have become very advanced, such comparisons **have** become inevitable and it **stimulates/encourages/leads** many individuals in underdeveloped nations to look for an answer that could be the first antidote in improving their status and catching **up in the rat race of nations.**

This book, by Daron Acemoglu and James A. Robinson, gives its version of answers on why some nations fail while others rise and become wealthy and prosperous. The thesis made by the authors is very direct and simple: nations with inclusive political and economic institutions become successful and flourish while nations with extractive political and economic institutions fail and **take/drag along** its members with them.

The authors explain that what they define as an inclusive institution allows and encourages people to work productively, and to participate in multi-party politics. That results in a broad distribution of equivalent political power among individuals, which gives them the opportunity to evenly enrich themselves in a leveled playing field. An inclusive institution generates a feedback loop, so that no individual nor group can easily concentrate economic and political power due to economic and political incentives as other individuals **(too)** have political and economic power.

On the other hand, an extractive institution concentrates power at work and in politics in who make themselves richer by making others poorer. Extractive institutions persist and gradually become entrenched due to the feedback loop, which the authors name “the vicious cycle”, in contrast to the “virtuous cycle” generated by the inclusive institution.

The authors explain in detail how nowadays developed countries could make past shifts in their institutions from extractive to inclusive. The process is very complex and not struggle-free and prerequisites are needed for that shift to happen. One of the must have prerequisites is what the authors call “The Critical Junctures”, which is a major event or a confluence of factors that disrupt the current economic

and political status for new economic and political phase to emerge. Examples of critical junctures, that participated in the emergence of inclusiveness of institutions, mentioned in the book are, but not restricted to, the Black Death that took place in Europe, the French Revolution, and the death of Mao in China.

Other prerequisites mentioned by the authors are the creative destruction and state centralization. A clear example of creative destruction is the industrial revolution that took place in Europe, and it is meant to explain the necessity of innovation and creativity in creating an inclusive economic institution and its positive feedback loop in making the political institution more inclusive. In contrast, elites in extractive institutions' state actors tend to fight and inhibit innovation, try to create obstacles to any creative destruction attempt as it will economically, and eventually politically, empower other individuals of the society. Lastly, it has been emphasized in the book that a degree of state centralization is required to achieve security and order in nations. In nations that lack a centralized state, wars are prone to be civil wars or provinces and lands controlled by gorillas and militants, forming subordinate extractive regions.

I have personally found the book influential in the sense that it has urged me to reconsider my tendency to individualism, in the social and political affairs, and in the belief that the individual is the one who is mostly responsible of his current socio-economical status and has the chance in striving to better his or her situation regardless of his or her environment. The book explains that the environment, the predominant economic and political institution of a nation, is highly influential to the fate of its individuals. It just takes a lot for an individual to enrich him or herself, his family, and enrich his or her surrounding society members if he or she is a member of a nation ruled by an extractive institution. Numerous complex unmanageable factors prevent members in extractive institution communities from reaching socio-economic status equivalent to their counterparts living in inclusive institution nations who share the same personal qualities and intellectual abilities. The reason of their misfortune is not exclusively their own responsibility, if it is, but a large portion of the cause stems from the action of the extractive elites.

One point I would have mentioned in the book, if I were a coauthor, would be the effect of the extractive society on changing the mindset and ethics of its members. It has been mentioned that extractive institution nations run on a viscous cycle that empowers the elites politically and economically. Moreover, it has been mentioned that for a nation to erect an inclusive institution it should go into a complex process of critical junctures. Critical junctures include revolutions and struggles between the

people and the extractive elites. But what guarantees that an inclusive institution will be established, even if consecutive critical junctures take place? In my opinion, the persistent and lifelong extractive institution hits deeply in the morals and the ethical code of the people who are living under it. Majority of people living under extractive institutions would eventually have a scarcity mindset developed, that would make them potential wealth and power extractors themselves whenever there is an opportunity. The extractive institution helps in breeding future extractive elites who might even exploit any potential critical juncture for them to become the new monopolizers of power and wealth. Moreover, people under extractive institutions would be more provoked to violate laws and regulations, why would they stick to laws and regulations that are applied equally on all of the individuals living under their governing extractive institution, but not necessarily applied on the elites and their allies? As people lose trust with their governing institution and their code of ethic is hit, it would be more difficult to establish an inclusive institution.

Unfortunately, I don't think the authors have succeeded in publicizing their work, through the conferences and media, in a proper way. I have watched a TED talk made by one of the authors on YouTube, the presentation has been very weak and has not fully coincided with the robust thesis and arguments composed in the book. For instance, the authors emphasize in the book that many of the African and south American nations were exploited by the European colonization by means of extractive institutions that continue to exist even after independence under the government of the ingenious people. Yet, **no such point has been** emphasized in the [TED talk YouTube](#) video and some individuals, who have not read the book **but** have watched the video, have used such points as an argument against the book and **this** eventually can refrain other audiences from reading it. Moreover, some book reviews made by famous people, like [Bill Gate](#) have been inaccurate (the authors have made a [detailed response](#) to that) and may also refrain some people from reading the book.

I believe that the book is important and has succeeded in conveying its message, regardless of the poor campaigns made to promote it.