

They showed institutions trump all other factors

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Economists emphasise institutions as key to prosperity, as shown by Nobel laureates Acemoglu, Johnson, and Robinson.



Academy of Sciences permanent secretary Hans Ellegren, Jakob Svensson and Jan Teorell, of the Nobel Assembly at the Swedish Riksbank announce the Swedish Riksbank's prize in economic science in memory of Alfred Nobel 2024, which goes to Daron Acemoglu, Simon Johnson and James A. Robinson, during a press meeting at the Royal Swedish Academy of Sciences in Stockholm, on Monday. (REUTERS)

Reflecting on the future of humanity, economist Avinash Dixit once wrote: “Will we move to a fifteen-hour work week? Will we be another four or eight times as rich as we are now? Will we colonize the moon or mars? I don’t know, and don’t much care. I believe that the improvements in institutions and organizations that figure in my dream are much more important than any increases in leisure or any substantial increases in material wealth in today’s first world. With good institutions, a good level of economic well-being can be sustained; without them, even great wealth can be fragile.”