

MANCUR OLSON: PERSONAL RECOLLECTIONS

Peter Murrell*
University of Maryland

For this short essay, I have been given the brief of sharing my personal recollections of Mancur Olson. Therefore, my focus is almost entirely personal, and not intellectual. Many scholars are much more qualified than I am to exposit the latter. My comparative advantage is that I knew Mancur well as a close colleague for over 20 years. Now I am the Mancur Olson Professor of Economics at the University of Maryland, a professorship supported by the many contributions of the individuals who were deeply affected by Mancur.

For we who can stand on the shoulders of giants (one of Mancur's favorite aphorisms), it is very difficult to look back at the past and model the thought processes that we had before those giants made their contributions. We know all policy decisions are intrinsically political, don't we? How can anybody have ever thought otherwise? Well, I know I thought that economics and politics were separate when I was a Ph.D. student and I know that at those times most other economists had been trained to think that way. Probably, the only reason why I can recall this so clearly is because of the vivid memory of the first time I ever saw Mancur's name.

I, like many thousands of others, first encountered Mancur Olson as a scholar appearing on a reading list. I was perusing the syllabus for a public finance course when doing my Ph.D. and I saw the *The Logic of Collective Action* there.¹ The presence of that book on the reading list seemed totally anomalous. It just seemed not to belong. It was even more confusing to me than understanding that the pronunciation of the first name was not Manker.

Why would a reading list focused on the choice of tax rates to promote efficiency include a book that presented the theory of the formation of interest groups? Well, we all know the answer to that question now, for we are all standing on Mancur's shoulders. My confusion then, in relation to our understanding now, is a sign of how pathbreaking Mancur's ideas about public choice really were. In producing this work, Mancur was at the fulcrum of a movement that changed economics and political science forever. And not only did Mancur help to make those disciplines

* Peter Murrell, Mancur Olson Professor of Economics, University of Maryland, College Park, USA; email: murrell@econ.umd.edu

¹ Kudos to Robert Inman.

more realistic in their approaches and more penetrating in their observations, he also helped to make them more interesting and entertaining.

This is consistent with the core of Mancur's personality, what I remember most vividly about him. He was enormous fun to be around, talking about economics and arguing over some observation or some theory. He was a person who lived life to the fullest. He made sure that the people around him could partake in those pleasures of analysis that he could apply everywhere, even in the remotest corners of human life. Very soon after I met him, I remember Mancur privately circulating a note on an Ann Landers column² in which a certain gentleman working under the pseudonym of "Happy Wally" had explained how he solved his problem of generating more frequent conjugal relations, using an "economic approach". Happy Wally used market exchange with his wife. The unfortunate "Happy Wally", however, happened to state very clearly the amount of time he had engaged in this practice, the total amount of money he had spent, and the price of the transaction, assuming they provided wonderful confirmation of his approach. Dividing the total amount of money by the price then dividing that by the time in weeks, Mancur calculated the number of times per week that Happy Wally's economic approach worked. The number was pitifully small. So Mancur's note concluded "that either it doesn't take much to keep Happy Wally happy, or that the price was too low". The essence of price theory, applied purely for the amusement of his colleagues.

Mancur and I first met when I arrived at the University of Maryland in 1977 as a newly minted Ph.D. taking up a post as assistant professor. I was a student of comparative economics and one of my interests was the planning systems of post-war democracies. Mancur was at the time doing the research that would later become *The Rise and Decline of Nations*, so we had substantive interests in common. But then Mancur had much in common with anybody who was willing to engage in debate using economics tools. From my lowly assistant professor perch, he stood out as being completely egalitarian in his personal relations—to a degree remarkable even in US academia, one of the most egalitarian milieus in the world. (My former colleague, Chas Cadwell, described Mancur as treating janitors and presidents alike.) Mancur was always willing to read and comment extensively on my papers, and try to help me chart my way through the unfriendly seas of academic politics and teach me the ins and outs of the publication process.

This egalitarianism carried over into Mancur's political views, as did his theories on politics. To anybody trying to typecast him, he was very hard to place. But once

² Younger or foreign readers might not know this American institution. See https://en.wikipedia.org/wiki/Ask_Ann_Landers. Younger readers also might not understand how serious academics could spend their time reading such a column. Please refer to the previous comments on not understanding past ages, and remember that this was the age before the internet and email.

one realized that his views combined the social egalitarianism of that North-Dakota-Norwegian upbringing and the hard-nosed politico-economic analysis that he loved, then it became much easier. He wanted a more economically egalitarian country, but he thought that traditional programs aiming to do that were badly designed. Traditional approaches did not take into account how government decisions would be manipulated by the small minority of the population able to form interest groups. As a result, government policy would be highly skewed, benefitting special interests more than the majority of the population. This was the work of a great intellectual and a true iconoclast. To the leftist, he would remark, "And why do you assume that government produces fairer outcomes than the market?" and to the libertarian "And why do you assume that government will remain neutral, instead of helping those who are powerful in the marketplace?"

One thing that Mancur and I disagreed upon and often debated was the role of culture in economic behavior. My feeling to this day is that he underestimated its importance in economics and politics. One possible reason for Mancur's views is that he thought of himself as a typical *homo economicus*, without quite realizing how much his own actions were those of a morally driven economic agent. (That North-Dakota-Norwegian upbringing again, which Mancur might not have realized was so much a part of him.) It was natural for him to view everybody else as the same type of *homo economicus* that he thought he was.

But economic man would not have spent so much time with students and assistant professors and economic man would not have been so upset to hear of a colleague's divorce. And economic man would surely not have engaged in the time-consuming procedures that Mancur did when assigning his own books to his own students in a class. Assigning the *Logic of Collective Action* was hardly an act of self-centeredness at that time, but he insisted on paying to students the amount of money their purchases generated in royalties. So at the beginning of the semester, one saw a line of students at Mancur's office door, showing their purchased copy to him, receiving their appropriate number of dollar bills of recompense, and obtaining the additional benefit of having a signed copy of the book. I was always amazed at this policy, how much time it took, and how different it was from the norm. To me, this memory speaks more about the essential character of the man than any of his great contributions to the literature.

One other element of Mancur's approach to life that was only seen by those who were his colleagues was how hard he worked to get things right. He would urge younger colleagues to take referee reports seriously, even bad ones, because if a referee failed to understand, then that was evidence of bad exposition. He would revise and revise manuscripts over and over again, producing consternation in his

coauthors and publishers. But publication was not his ultimate goal, a contribution to understanding was. I remember a very quick-witted and sharp colleague once dismissing an argument of Mancur with the comment “That’s very clever”, and Mancur responding immediately and very calmly, in a manner that could only result from an emotion that was both heartfelt and ingrained “I wasn’t aiming to be clever, I was aiming to be right.” That attitude meant that Mancur published fewer words than did many top scholars; but each of those words was cited many more times. The manuscript “Beyond the Measuring Rod of Money” was one whose first version appeared in 1970 yet remained unpublished at the time of his death even though it would have surely garnered sales and attention in its imperfect state.

Over the last ten years of Mancur’s life, he and I interacted more than ever. At that time, Mancur turned his attention to understanding the role of government in economic development, a role that could only be fully understood using the political logic that he had developed earlier in his career. This was the work that led to the formation of the IRIS Center, which helped to better the lives of people in dozens of countries through the implementation of aid projects whose underlying philosophy was based on Mancur’s ideas. The IRIS Center also had the remit of helping scholarship and it had USAID funds to do so. This was during the time of the transition from socialism, and he and I disagreed fundamentally on issues of strategy. Yet, our relationship became closer because we were working on similar substantive areas and he was energized to show me the error of my ways. Despite our differences in views, Mancur was very ready to support my work under the auspices of IRIS. And I saw this in many other cases in which IRIS supported work with which Mancur had fundamental disagreements. So long as quality and rigor were present, what Mancur regarded as misjudgments of emphasis or the use of debatable assumptions were not the issue. Mancur truly believed in the marketplace of ideas and acted accordingly.

I remember distinctly the spot on the University of Maryland campus where I was standing when I was told the news that Mancur was stricken with the heart attack that felled him. How many times can we remember the exact spot where we received a one sentence piece of news twenty years ago? I still think of Mancur when I pass that spot. I think about how his premature death robbed the economics profession of many more fundamental contributions. But even more, I think about how much more over the last twenty years I would have laughed out loud or been intrigued by a very clever piece of spontaneous analysis, had Mancur lived as long as he was entitled to. We will have Mancur’s theories and published works forever. What we miss now are Mancur’s deep optimism that our dismal science can produce ideas for the common good and his enormous energy in applying those ideas. We miss

the irrepressible intellectual, playing with theories from all disciplines, regaling us in the hallways with an ingenious interpretation of some news event (or sometimes with a very good joke he had just heard). We miss the warm, welcoming smile and the infectious laugh. We miss the many kind words and deeds that continually reminded us that the great intellect was just one part of a great man.

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