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Abstracts

Irene van Staveren and Olasunbo Odebode

Gender Norms as Asymmetric Institutions: a Case Study of Yoruba Women in Nigeria

While a century ago, institutional economists like Veblen recognized gender norms as important institutions in the economy, today this type of institution receives less attention in institutional analysis. At the same time, feminist economists have found the notion of an institution useful for the analysis of gender in the economy. We will argue that the understanding of gender norms as institutions necessitates a distinction between institutions that have similar effects for everyone and institutions that have systematically different or unequal effects for different groups. We will illustrate our argument with a case study on Yoruba women in Nigeria. The case study will show how gender norms result in an asymmetric institutional setting for women and men. The article will conclude by suggesting that an understanding of some institutions as asymmetric will enable both institutional analysis and household analysis to include attention to power, ideology, and change more systematically. *J. Econ. Issues*, December 2007, 41 (4), pp. 903-926. The Hague and Radboud University Nijmegen; and the Anglophone West African Regional Office, in Abuja, Nigeria.

B. James Deaton

Intestate Succession and Heir Property: Implications for Future Research on the Persistence of Poverty in Central Appalachia

When a person dies without a will, the State effectively supplies a will by default via the laws of intestate succession. In some cases these laws result in a transfer of real property in the form of tenancy in common. Tenancy in common is a form of joint ownership in which cotenants have an undivided partial interest in property. Should a cotenant die intestate, their interest in property passes to his/her heirs. Tenancy in common that is the result of an inter-generational transfer of property through intestate succession is often referred to as heir property. The theory of the anticommons provides a useful analytical framework for hypothesizing that heir property may be under-utilized. Empirical evidence provides insight into the pervasiveness of heir property in Letcher County, Kentucky. The potential pervasiveness of heir property and the theory of the anticommons provide the basis for developing a hypothesis that heir property is a factor contributing to the

persistence of poverty in some areas. *J. Econ. Issues*, December 2007, 41 (4), pp. 927-942. University of Guelph in Canada.

Robert H. Scott, III

Bankruptcy Abuse Prevention and Consumer Protection Act of 2005: How the Credit Card Industry's Perseverance Paid Off

On October 17, 2005 the Bankruptcy Abuse and Consumer Protection Act of 2005 (BAPCPA) was enacted. This legislation marked the most significant change to the bankruptcy code since 1978. The BAPCPA was lobbied for by several large credit card companies for the purpose of restricting people's ability to easily discharge their credit card debt. This analysis studies how BAPCPA developed, its effects on people and the economy since its enactment, and what can be done now to dispel its negative impacts and also reduce people's risks of filing personal bankruptcy. The new bankruptcy law is supposed to diminish consumer bankruptcy abuse and make the codes more fair, generally. As is shown in this study, the new bankruptcy law does neither of these; and, in fact, exacerbates the problems that have led to the recent increases in personal bankruptcy filings. *J. Econ. Issues*, December 2007, 41 (4), pp. 943-960. Monmouth University.

Mark Harcourt, Geoffrey Wood and Ian Roper

The Importance of Legislated Employment Protection for Worker Commitment in Coordinated Market Economies

Legislated employment protection plays an important part in creating and sustaining competitive advantage, at least in the so-called coordinated market economies (CMEs), perhaps most typified by Germany. Specifically, protection helps firms foster worker commitment, trust, and confidence that underpin relatively cooperative workplace relations in CME societies. It follows that abolishing employment protection could undermine the basis of successful long-term economic performance in CMEs. This paper proposes some modest reforms to legislated employment protection, which would strengthen its positive, and weaken its negative, effects on CME economies. *J. Econ. Issues*, December 2007, 41 (4), pp. 961-980. University of Waikato; University of Sheffield; and Middlesex University.

Lynne Chester

Who Benefits From The Restructuring Of The Australian Electricity Sector?

The Australian electricity sector has been radically restructured during the last decade. The drivers of this restructuring are sector-specific and public sector

policies, and the broader macro policy approach of the Australian state. Using the analytical framework of French *régulation* theory, the paper discusses these drivers and the most significant outcomes arising: global integration; debt and derivatives; an uncompetitive market; high wages and high unionization; and the political and financial gains for the state. The clear winners have been capital, the state and the neo-liberal agenda. Labor faces bleak prospects following job losses, real wages no longer outstripping productivity growth and further expected real increases in residential electricity prices. *J. Econ. Issues*, December 2007, 41 (4), pp. 981-1002. University of New South Wales, Sydney, Australia.

Scott T. Fullwiler

Interest Rates and Fiscal Sustainability

Current academic and policy discussions regarding the sustainability of future entitlement expenditures by the U.S. federal government are based upon neoclassical interpretations of the government's intertemporal budget constraint. The latter literature itself derives from two key points at the core of neoclassical macroeconomics: (1) interest rates on government debt are set in the loanable funds market and (2) the creation of money to finance government spending is more inflationary than selling bonds. Both of these premises are inapplicable to a currency-issuing government operating under flexible exchange rates. In this case, there is no operational constraint on government spending and bond sales are more correctly considered as monetary policy operations. As such, the interest rate on the national debt is driven by monetary policy, not the size of the deficit as in the loanable funds paradigm. Whether or not a fiscal policy stance that leads to persistent primary deficits is sustainable or not in the sense defined in the neoclassicals' intertemporal budget constraint is strongly influenced by the stance of monetary policy. *J. Econ. Issues*, December 2007, 41 (4), pp. 1003-1042. Wartburg College.

Geoffrey M. Hodgson and Shuxia Jiang

The Economics of Corruption and the Corruption of Economics: An Institutional Perspective

This essay criticizes the commonplace definition of corruption as the misuse of public office for private gain. Both elements in this definition are wrong: corruption is also found in the private sector and in some exceptional cases it may not simply be for private gain. Another problem with prevailing treatments of corruption is their reliance on a utilitarian framework, which reduces ethical issues to matters of individual utility. This paper reinstates a non-utilitarian ethical dimension, and regards organizational corruption as involving collusion to violate established, normative rules. It is further established that organizational corruption incurs

irreducible social costs that cannot fully be internalized in a Coasean manner, because corruption itself undermines the very framework of property rights. J. Econ. Issues, December 2007, 41 (4), pp. 1043-1062. University of Hertfordshire and Xiamen University.

James L. Webb

Pragmatisms (Plural) Part I: Classical Pragmatism and Some Implications for Empirical Inquiry

Pragmatisms Plural, Part I asserts that the classical pragmatism of Charles Peirce and John Dewey provides the basis for progressive, self-correcting empirical inquiry in economics and social science because of the unique combination of realism, fallibilism, antiskepticism and rejection of apriorism in classical pragmatism. Some unique features of classical pragmatism include the treatment of "experience" (in contrast to traditional empiricism), the situation as theoretical starting point, and Peirce's semiotics. The implications of classical pragmatism for guiding empirical inquiry are considered at various points. Unfortunately, "pragmatism" refers to philosophical positions other than classical pragmatism which are antithetical to classical pragmatism and which are obstructive to inquiry. **J. Econ. Issues**, December 2007, 41 (4), pp. 1063-1086. University of Missouri, Kansas City.

Matthew C. Wilson

Uncertainty and Probability in Institutional Economics

Contemporary post Keynesian theory provides the basis for an institutional theory of uncertainty. The paper argues, however, that this institutional theory of uncertainty implies a movement away from Keynes' early theory of probability. In effect, a concept of instituted uncertainty requires a concept of instituted probability. By contrast, Keynes' early theory regards probability relations (as distinct from probability judgments) as objective logical relations, which are, therefore, independent from institutions. The paper supports the view that Keynes was right to claim that human agents have subjective and objective sides. However, it is argued that the objective side is rooted in inherited instincts and social institutions rather than in a domain of objective logical entities. Finally, it is argued that an institutional theory of probability does not fit neatly into typical classification schemes, which regard theories of probability as subjective or objective and as ontological or epistemic. J. Econ. Issues, December 2007, 41 (4), pp. 1087-1108. University of Denver.

Igor Matutinović

An Institutional Approach to Sustainability: Historical Interplay of Worldviews, Institutions and Technology

The pathway to sustainability lies prevalently in the change of those cultural traits that generate collective behavior and choices which are environmentally undesirable, and only to a lesser extent in technological change and scientific progress. Collective behavior is shaped by institutions, which are to a large extent contingent on the values and beliefs that are shared in a society – its prevailing worldview. From the perspective of the hierarchy theory, a worldview represents the highest level constraint in the societal system, which acts as a selective force on institutional and technological possibilities. Starting from a simple model and historical analysis, this work argues that it is hardly possible to introduce appropriate institutional change - the one which may alter significantly the impact of our societies on natural environment - unless we change our overall perspective and attitude towards nature, work, and well-being. *J. Econ. Issues*, December 2007, 41 (4), pp. 1109-1138. GfK – Center for Market Research, Zagreb, Croatia.

Robin Hahnel

The Case Against Markets

This article presents the case against the market system on efficiency grounds. It argues there is every reason to believe efficiency losses due to external effects, imperfect market structures, and market disequilibria are significant and increasing, implying that the “invisible foot” is gaining ground on the “invisible hand” every day. The article also argues that free markets undermine rather than promote economic and political democracy, as market exchanges enrich and empower those who are better off relative to those who are worse off, and that the anti-social biases and incentives inherent in the market system continue to tear away at the tenuous bonds that bind us to one another. *J. Econ. Issues*, December 2007, 41 (4), pp. 1139-1160. American University.

Gertrude Schaffner Goldberg, Philip Harvey and Helen Lachs Ginsburg

A Survey of Full Employment Advocates

Full employment once occupied a central position on the progressive agenda, but the emphasis has shifted to price stability and the tendency to redefine full employment as an unemployment rate rather than a job for all. Consequently, the authors surveyed presumed full employment advocates to determine whether their definition of the goal, its desirability and feasibility have shifted. A non-random sample of 50 persons, mostly economists from Western Europe, North America and Australia,

completed the survey. The major findings were: (1) full employment should be conceived as the availability of decent employment for all with a special and new emphasis on the decency caveat; (2) there were disparate views about how to define full employment operationally; (3) the tendency was to consider full employment economically but not politically feasible at this time; and (4) there was a lack of consensus concerning the policies to achieve full employment and overcome political barriers. *J. Econ. Issues*, December 2007, 41 (4), pp. 1161-1168. Adelphi University School of Social Work, Rutgers School of Law, and Brooklyn College, City University of New York.