

CALL FOR PAPER

Special Issue of the Journal of Institutional Economics

Institutions and Culture in Economic Contexts

Special Issue Editors

Luca Andriani (Birkbeck university of London, luca.andriani@bbk.ac.uk)

Randolph Bruno (University College London, randolph.bruno@ucl.ac.uk)

Background

With this call, we explore the role of institutions, cultural traits, and cultural differences broadly defined on a variety of economic, social and institutional outcomes. The aim is to establish a dialogue between scholars of different disciplines who may interpret these concepts from different perspectives. We, thus, propose to ground the contributions submitted to this special issue in well-established conceptualisations of both culture and institutions, while leaving room for authors to operationalise the concepts as they see fit.

With this in mind, on the one hand we define institutions as “rules and norms able to constrain and shape human interactions as well as open up possibilities” (Hodgson 2006; North, 1990). On the other hand, the economic literature refers to culture as “those customary beliefs and values that ethnic, religious, and social groups transmit unchanged from generation to generation” (Guiso et al. 2006). In a wider perspective, *culture* is viewed as an important environmental factor consisting of a set of social-value orientations that distinguish the members of one group from those of another, shape collective preferences and individuals’ attitudes within a socio-economic and geographical space (De Jong 2009; Hofstede 1980; Schwartz, 2011).

The role of cultural aspects and their impact on organisational, market and business performance have been widely investigated in the context of managerial and business studies since the very seminal work of Hofstede in 1980 (Hofstede 1980).

Subsequent works have developed challenging and compelling critiques to the definition of culture proposed by Hofstede (e.g. McSweeney, 2002) as well as further approaches to the conceptualisation and measurement of cultural traits (Chanchani and Theivanathampillai, 2002; Inglehart and Baker, 2000; Kaasa et al. 2014; Kaasa 2015; Schnyder et al 2019; Taras et al., 2009; Voigt 2018). Similarly, culture, as a field of enquiry of relevance to economic and institutional outcomes, progressively gained attention in the broader economic literature and culminated with the emergence of New Cultural Economics as embodied in Guiso et al. (2006) and Tabellini (2008 and 2010). However, within the *Institutional Economics*, the interconnection between culture and institutions has been a recurrent, even though sometime latent, underlying theme. North (1990), for instance, argues that cultural traits such as sanctions, taboos, customs and traditions are informal constraints affecting individuals’ behaviour and actions. Hodgson (2006) relates the concept of culture to the interplay between formal and informal institutions within an expanding critical debate on the role of institutions in economics. Along with these two key references, a growing body of empirical and theoretical works has been showing that institutions and cultural factors matter on different economic and institutional performance (Acemoglu and Jackson 2017; Alesina and Giuliano 2015; Bruno et al. 2013; Douarin and Mickiewicz 2017; Edwards et al. 2019; Gorton et al. 2008; Greif 1994; Guiso et al 2006; Tabellini 2008, 2010; Williamson 2009). In this regard, in recent years, the *Journal of Institutional Economics* has provided a voice to pioneer empirical

and conceptual works on the relationship between culture and different institutional and socio-economic aspects both in high income and developing countries (e.g. Andriani and Sabatini 2015; Berggren et al. 2019; Cruz-García and Peiró-Palomino 2019; Gerxhani and Van Breemen 2019; Herrmann-Pillath et al. 2019; Kyriacou and Lopez Velasquez 2015; Spranz et al. 2012; Tarabar 2019). However, in many circumstances, at present, culture and institutions are keywords belonging to two only partially converging research streams. Within this special issue, instead, we want to recognise a more systemic overlap between culture and informal institutions as being both social constructs, which are not formally enforced by others (Voigt, 2018). We also acknowledge significant challenges of interpretation, declination and delineation of the two concepts (Hodgson, 2006) especially when it comes to appropriate measurements (Voigt, 2018).

In other words, this special issue attempts to start filling this gap and to build an *ad-hoc* systemic platform for disseminating such a debate. To this purpose, we aim to bring together papers to improve the theoretical, empirical and methodological understanding of the role of institutions and culture in different geopolitical and socio-economic contexts as well as the role of economics in different institutional and cultural contexts. Particularly, we focus on how institutions and cultural aspects may provide contributions towards better understanding of economic outcomes. Contributions which can derive from individuals and social attitudes towards rent-seeking behaviours, corruption, tax evasion, and institutional trust, among others (Andriani 2016; Bruno 2019). We are also interested in studies investigating how cultural traits and institutions relate to different forms of economic and institutional performance. Hence, we invite contributions addressing issues including but not limited to:

- Link between Culture, Formal and Informal Institutions
- Social Norms, Trust, and Social Attitudes Towards Rent-Seeking Behaviours
- Measures of Culture and Cultural Dimensions
- Culture, Corruption, Tax Evasion, and Tax Morale
- Legal Institutions, Cultural Traits, and Governance
- Religiosity, Cultural Differences, and Institutions
- Culture, Institutional Performance, and Institutional Trust
- Cultural Differences, Social Capital, and Social Attitudes
- Culture and Economic and/or Organisational Performance

Abstract Submission

We invite to submit an abstract of max 300 words by the **27th of January 2020** to luca.andriani@bbk.ac.uk. The abstract should include correspondence email and affiliation and should include “**Institutions and Culture in Economic Context**” in the subject line. Submitted abstracts need to be structured as follow:

Research Type: Conceptual, Theoretical, Empirical or Review (select one)

Research Question/Issue: presentation of the focus and motivations of the paper, including relevant information regarding the link to culture and institutions and the definition and measurements chosen for these concepts.

Method: clarification of the methodological approach chosen, and data source, if the paper is conceptual/theoretical state the main framework your research builds on.

Key Findings/Insights: explanation of the findings or insights derived from the study. This section should highlight the contribution of the work to the broader literature.

Implications: in this section, please state the broader implications of the findings for researchers and/or policy-makers, as appropriate.

The abstracts will be assessed by the guest editors of this special issue along with the Editors of the *Journal of Institutional Economics*. The authors will be notified by the **18th of February 2020** regarding the acceptance or rejection of the abstracts. We expect the final papers to be submitted no later than **5th of May 2020** directly to the *Journal of Institutional Economics*. Please note that the acceptance of abstracts does not necessarily imply the acceptance of the paper for the special issue. All the paper submissions will go through the *Journal of Institutional Economics* **regular review process** and follow the standard norms and processes.

For any query, please contact any of the guest editors: Luca Andriani (luca.andriani@bbk.ac.uk) and/or Randolph Bruno (randolph.bruno@ucl.ac.uk)

References

- Acemoglu, D. and M. O. Jackson (2017), “Social Norms and the Enforcement of Laws,” *Journal of the European Economic Association*, 15(2): 245–295.
- Alesina, A. and P. Giuliano (2015), “Culture and Institutions,” *Journal of Economic Literature*, 53(4): 898–944
- Andriani, L and Sabatini, F (2015) Trust and prosocial behaviour in a process of state capacity building: the case of the Palestinian Territories, *Journal of Institutional Economics* 11(4): 823-846
- Andriani, L (2016) Tax Morale and Prosocial Behaviour: Evidence from a Palestinian Survey, *Cambridge Journal of Economics*, 40(3): 821-841
- Berggren, N., Ljunge, M., & Nilsson, T. (n.d.). Roots of tolerance among second-generation immigrants. *Journal of Institutional Economics*, 1-18.
- Bruno, R. L Bychkova, M and Estrin S (2013), Institutional determinants of new firm entry in Russia: A cross-regional analysis, *Review of Economics and Statistics* 95 (5), 1740-1749
- Bruno, R. L. (2019), Tax enforcement, tax compliance and tax morale in transition economies: A theoretical model, *European Journal of Political Economy*
- Chanchani S., Theivanathampillai P. (2002) Typologies of culture. University of Otago, Department of Accountancy and Business Law Working Papers Series, 04_10/02, University of Otago, Dunedin.
- Cruz-García, P., & Peiró-Palomino, J. (2019). Informal, formal institutions and credit: Complements or substitutes? *Journal of Institutional Economics*, 15(4): 649-671.
- De Jong E (2011) Culture, institutions and economic growth, *Journal of Institutional Economics* 7(4): 523-527
- De Jong, E. (2009), *Culture and Economics: On Values, Economics and International Business*, New York, NY: Routledge
- Douarin, L and Mickiewicz, T (2017) *Economics of Institutional Change: Central and Eastern Europe Revisited*, Palgrave Macmillan, London, Third Edition
- Edwards, T Schnyder, G and Fortwengel, J (2019) Mapping the impact of home-and host-country institutions on human resource management in emerging market multinational companies: a conceptual framework, *Thunderbird International Business Review* 61 (3), 531-544
- Gerxhani, K. and Van Breemen, J. (2019). Social values and institutional change: An experimental study. *Journal of Institutional Economics* 15(2): 259-280.
- Gorton, M. Douarin, E. Davidova, S and Latruffe, L (2008) Attitudes to agricultural policy and farming futures in the context of the 2003 CAP reform: a comparison of farmers in selected established and new Member States, *Journal of Rural Studies*, 24(3): 322-336
- Greif, A. (1994), ‘Cultural Beliefs and the Organization of Society: A Historical and Theoretical Reflection on Collectivist and Individualistic Societies’, *Journal of Political Economy*, 102: 912–950.

- Guiso, L., P. Sapienza and L. Zingales (2006), “Does Culture affect Economic Outcomes?” *Journal of Economic Perspectives*, 20(2): 23–48.
- Herrmann-Pillath, C., Feng, X., & Guo, M. (n.d.). Entrepreneurs and ritual in China's economic culture. *Journal of Institutional Economics*, 1-15.
- Hodgson, G. M. (2006), ‘What are Institutions?’, *Journal of Economic Issues*, **40**(1): 1–25
- North, D. C. (1990), *Institutions, Institutional Change and Economic Performance*, Cambridge: Cambridge University Press
- Hofstede, G. (1980), *Culture's Consequences: International Differences in Work-Related Values*, Beverly Hills, CA: Sage Publications.
- Inglehart, R., Baker, W. E. (2000) Modernization, cultural change, and the persistence of traditional values. *American Sociological Review*, 65(1, Special issue, Looking Forward, Looking Back: Continuity and Change at the Turn of the Millenium): 19–51.
- Kaasa, A Vadi, M and Varblane, U (2014) Regional Cultural Differences Within European Countries: Evidence from Multi-Country Surveys, *Management International Review* 54: 825-852
- Kaasa, A (2015) Culture, religion and social capital: evidence from European regions, *International Journal of Sociology and Social Policy*, 35(11/12) 772-794
- Kyriacou, A. P. (2016), “Individualism-Collectivism, Governance and Economic Development,” *European Journal of Political Economy*, 42: 91–104.
- Kyriacou, A. P. and F. J. López Velásquez (2015), “Inequality and Culture in a Cross-Section of Countries,” *Journal of Institutional Economics*, 11(1): 141–166.
- McSweeney, B. (2002) Hofstede's model of national cultural differences and their consequences: a triumph of faith - a failure of analysis. *Human Relations*, 55(1): 89–118.
- Schnyder, G, Bothello, J, Nason, RS (2019) Institutional Voids and Organization Studies: Towards an epistemological rupture, *Organization Studies*, 1-14
- Schwartz, S. H. (2011) Values: Cultural and Individual. In: van de Vijver, F. J. R., Chasiotis, A., Breugelmans, S. M. (Eds.) *Fundamental questions in cross-cultural psychology*, Cambridge: Cambridge University Press. 463-493.
- Spranz, R Lenger, A and Goldschmidt, N (2012) The relation between institutions and cultural factors in economic development: the case of Indonesia, *Journal of Institutional Economic* 8(4): 459-488
- Tabellini, G. (2008), ‘Institutions and Culture’, *Journal of the European Economic Association*, **6**: 255–294.
- Tabellini, G. (2010), ‘Culture and Institutions: Economic Development in the Regions of Europe’, *Journal of the European Economic Association*, **8**: 677–716
- Tarabar, D. (2019) Does national culture change as countries develop? Evidence from generational cleavages *Journal of Institutional Economics* 15, 397-412
- Taras, V., Rowney, J., Steel, P. (2009) Half a Century of Measuring Culture: Review of Approaches, Challenges, and Limitations Based on the Analysis of 121 Instruments for Quantifying Culture. *Journal of International Management*, 15: 357-373.
- Voigt, S. (2018). How to measure informal institutions. *Journal of Institutional Economics*, **14**, 1-22.
- Williamson, C. (2009), ‘Culture Rule: Institutional Arrangements and Economic Performance’, *Public Choice*, **139**: 371–387