

JOURNAL OF INSTITUTIONAL ECONOMICS



VOL 5 · NO 2 · AUGUST 2009

JOURNAL OF INSTITUTIONAL ECONOMICS

VOL 5 · NO 2 · AUGUST 2009

CAMBRIDGE

CAMBRIDGE
UNIVERSITY PRESS

JOURNAL OF INSTITUTIONAL ECONOMICS

EDITORS

Geoffrey M. Hodgson (*Editor-in-Chief*)

The Business School
University of Hertfordshire
Hatfield
Hertfordshire AL10 9AB
UK
g.m.hodgson@herts.ac.uk

Benito Arruñada

Pompeu Fabra University,
Barcelona, Spain
benito.arrunada@upf.edu

Elias L. Khalil

Department of Economics
Monash University
Australia
elias.khalil@buseco.monash.edu.au

Richard N. Langlois

Department of Economics
University of Connecticut
USA
richard.langlois@uconn.edu

Esther-Mirjam Sent

Radboud University Nijmegen
The Netherlands
e.m.sent@fm.ru.nl

STATEMENT OF AIMS

Institutions are the stuff of social and economic life. The importance of understanding the role of institutions in economic growth is now widely appreciated. The *Journal of Institutional Economics* is devoted to the study of the nature, role and evolution of institutions in the economy, including firms, states, markets, money, households and other vital institutions and organizations. It welcomes contributions by all schools of thought that can contribute to our understanding of the features, development and functions of real world economic

institutions and organizations.

The *Journal of Institutional Economics* is an interdisciplinary journal that will be of interest to all academics working in the social sciences, including in economics, business studies, sociology, politics, geography, anthropology and philosophy. The *Journal of Institutional Economics* aims to provide all authors with an expert verdict on their articles within 50 days of submission.

Submission should be made electronically to the Editor-in-Chief, Geoffrey Hodgson, via g.m.hodgson@herts.ac.uk.

INTERNATIONAL ADVISORY BOARD

Howard Aldrich
University of North Carolina at Chapel Hill

Ash Amin
University of Durham

Masahiko Aoki
Stanford University

Margaret Archer
University of Warwick

W. Brian Arthur
Sante Fe Institute

Mark Blaug
University of Amsterdam

Paul Dale Bush
California State University at Fresno

John Cantwell
Rutgers University

Victoria Chick
University College London

Antonio Damasio
University of Iowa

Marcello de Cecco
Scuola Normale Superiore, Pisa

Paul DiMaggio
Princeton University

Ronald Dore
London School of Economics

Giovanni Dosi
Sant'Anna School of Advanced Studies, Pisa

Sheila Dow
University of Stirling

Massimo Egidi
University of Trento

Nicolai Foss
Copenhagen Business School

John Foster
University of Queensland

Mark Granovetter
Stanford University

Herbert Gintis
University of Massachusetts at Amherst

Avner Greif
Stanford University

Bruce Kogut
INSEAD

Janos Kornai
Collegium Budapest

Tony Lawson
University of Cambridge

Brian Loasby
University of Stirling

Uskali Mäki
Erasmus University of Rotterdam

J. Stanley Metcalfe
University of Manchester

Luigi Marengo
University of Teramo

Claude Ménard
Université de Paris 1

Philip Mirowski
University of Notre Dame

Douglass North
Washington University at St Louis

Elinor Ostrom
Indiana University

Malcolm Rutherford
University of Victoria

Warren Samuels
Michigan State University

Thomas Schelling
University of Maryland

Ekkehart Schlicht
University of Munich

John R. Searle
University of California at Berkeley

Luc Soete
University of Maastricht

Robert Sugden
University of East Anglia

Marc Tool
State University of California at Sacramento

Viktor Vanberg
University of Freiburg

Richard Whitley
University of Manchester

H. Peyton Young
Johns Hopkins University

Journal of Institutional Economics

August 2009

CONTENTS

- 137–150 **Knowledge and the theory of institutional change**
THRÁINN EGGERTSSON
- 151–180 **Comparing theories of institutional change**
CHRIS KINGSTON AND GONZALO CABALLERO
- 181–205 **Institutions and US regional development: a study of Massachusetts and Virginia**
SUKKOO KIM
- 207–223 **Does institutional quality affect capital mobility? Evidence from developing countries**
JAVED YOUNAS
- 225–250 **Comparative urban institutions and intertemporal externality: a revisit of the Coase conjecture**
FENG DENG
- Fragment*
- 251–258 **Self-deceit and self-serving bias: Adam Smith on ‘General Rules’**
ELIAS L. KHALIL