Index

Aaron, H.J. 187, 194
Abramovitz, M. 80
Adam, J. 99, 107, 108, 109
addiction
   conclusions 173–4, 266–7
   introduction 153
nature of
   definition 155–6
   imbalance 156–8
   physiology 158–9
rationality
   economic man and 159–61
   human man and 161–2
socio-economic model 162
   consumption capital 165–6, 174
   current life situation 166–7
   implications of 171–3
   metapreferences 169
   overview 169–71, 266–7
   perception of addictive good 167–8
   personal capital 162–5
   reality of addictive good 168–9
   social capital 165
   society and community 166
   unrestrained preferences 169
   theory of rational 153–5
Adler, A. 157
Adler, M.J. 161, 210
Adler, P.S. 18, 19
advertising 185, 188–9
Africa 90
Ainslie, G. 179, 183, 187
Akerlof, G.A. 160
Alberini, A. 234
alcoholism 164
Allardt, E. 137
Altman, M. 55
altruism 190
Andriessen, D. 21, 65
anorexia nervosa 185
Apostolides, M. 157, 164, 172
Appelbaum, E. 60, 61
Argyle, M. 137
Argyris, C. 56–7
Aristotle 139–40, 161, 201
Armenia 111
Arrow, K.J. 3
Ashforth, B.E. 58
Aslund, A. 110, 119, 120, 124
audit
   national socio-economic 149–50
   auto industry 52–3
Barney, J.B. 64
Baron, J.N. 12
Barro, R.J. 89, 90
Bartlett, C.A. 66, 74
basic needs approach (BNA) 135
Bateman, T.S. 55
Becker, B.E. 59, 60
Becker, G.S. 14, 22, 34, 65, 83, 153–4,
   177, 178
Beed, C. 208–9
behavioral economics 55, 56–7
Benacek, V. 116
Berg, A. 109, 115
Biraima, M.H. 209
Blair, M.M. 19
Bourdieu, P. 17, 23
Bowles, S. 45, 92
Brenton, P. 111
Brown, A.N. 111
Brunet, H.J. 145
Bryman, A. 70
Buddhism 142, 143, 172, 181, 208,
   247
Burros, M. 191
Campbell, A. 137–8, 140, 149
capital, definition of 13
capitalist and socialist systems
   hard and soft elements 100–101,
   116–17

271
implications for system change 105–6
Kornai’s models 101, 102
revising 101–3
personal capital 103–4
social capital 105
Carneiro, P. 20, 35, 221
Carraro, C. 233, 234
Cayce, E. 180
Central and Eastern European countries see transition economies
children 94, 157, 220, 221, 223, 247
patience 23
China 124
Christianity 142–3, 208–9
Clague, C. 23
climate 90
Cobb, C. 136
cocaine 157, 158, 164
Cognitive, C. 235
Coleman, J.S. 16, 36, 145
Collier, P. 33
Collis, D.J. 60
commitment approach (CA) see environmental policy
consumption capital 165–6, 174, 177–8
control-oriented approach 51, 57, 225, 231, 236–7
Cooper, R.K. 86
corporations
government policy 219–20
High Performance Organizations (HPOs) 229, 240–41
environment 229–30, 231, 237, 242
multinational see multinational corporations
neoclassical entities 225, 226, 227
social responsibility 241
socio-economic (SE) entities 226–9
Coughlin, R.M. 255
Cowen, T. 178, 187, 193
Crocker, D.A. 134, 135
cultural capital, definition of 23
Czech Republic 111, 116, 124
Dalai Lama 139, 142
Daneyko, Ken 165
Dasgupta, P. 33
de Melo, M. 114–15
definitions
addiction 155–6
capital 13
cultural capital 23
human capital 14–15
intangible capital 15, 23–5
intellectual capital 21–2
introduction 12
legality 116
merit goods 205
moral capital 22
noncognitive human capital 20–21
patience capital 22–3
personal capital 19–20, 35–6, 82–3
rationality 197–8
social capital 15–19
democracy
transition economies 118–19
Denison, D.R. 70
Denison, E.F. 79
Desai, P. 109, 119
Dess, G.G. 66, 68, 70
developing countries 95, 126, 220
basic needs approach 135
functionings approach 138–9
diamonds
wholesale market 36
Diener, E. 137, 139
disclosure, public 235–6
Diwan, R. 135, 136–7, 145
Doepke, M. 22
Druskat, V.U. 88
Duncan, G. 44
Dunifon, R. 44
earnings
noncognitive determinants 43–5, 91–2
East Asia 90, 124
Easterlin, R.A. 136, 137
Easterly, W. 41
Eastern European transition see transition economies
Eberstadt, N. 110
economic growth
conclusion 45–6, 263–4
empirical findings
noncognitive HC, contribution of 43–5, 91–2
social capital, contribution of 40–43, 90–91
human capital (in individuals) and 34–6
ideal measurement of IC 34
intangible capital as source of 33
organizational capital 39–40
personal capital and see personal capital
social capital and 36–9
economic man (EM) 245–6, 250–52, 257
rationality and 159–61
Eenennaam, F. van 68
Eikelenboom, B.L. 19, 66, 67, 71, 73
Elliott, J.E. 253
Elster, J. 179, 187
emotional intelligence (EI)
addictive behavior, model of 163–4
capitalist systems 104
competencies 20, 84–6, 91
conclusion 265
economic performance and 86–9
moral capital 22
pre-organizational capital qualities 93
productivity 35
rationality, true 211–12
retail buyers 35
self-help activities 89
socialist systems 104
strategic planners 35, 88
environmental policy
commitment approach (CA) 231–3, 236–7
benefits 237
comparing other self-regulatory approaches and 233–6
difficulties 241
EP Agency’s responsibilities 237–9
Porter Thesis and 240–41
US EPA 239–40
conclusion 241–2
High Performance Organizations (HPOs) 229, 240–41
environment 229–30, 231, 237, 242
introduction 224
neoclassical firm 225, 226, 227
rational polluters and policy 231
socio-economic (SE) firm 226–8
ideal 228–9
Epictetus 176
Ericson, R.E. 107–8
evolutionary economics 123
Ezeala-Harrison, F. 95
Filer, R. 44
Fischer, S. 107, 111, 114
Florida, R. 229–30, 238, 240–41
Foldvary, F.E. 256
Foulon, J. 236
Frankfurt, H.G. 178
Frankl, V.E. 158
Freud, S. 183, 187
Fukuyama, F. 17, 34, 37, 165
Gaidar, Yegor 109, 119
Gamble, J.L. 194
Gant, J. 19, 59–60
GDP (gross domestic product) 134, 136
Gelb, A. 119
genetic inheritance 139
Genuine Progress Indicator (GPI) 135–6
geography 90
George, D. 188, 213, 214
Germany 37
East 109, 110, 122
Ghoshal, S. 66, 75
Gintis, H. 179
Gittell, J.H. 19
GNP (gross national product) 134, 138–9
Goldman, M. 111, 124
Goldsmith, A.H. 20, 82, 83
Goleman, D. 20, 22, 35, 79, 82, 83, 84, 86–7, 88, 93, 94, 95, 104, 163, 164, 257, 265
Gomulka, S. 108
Gora, M. 99
government policies 23, 43, 91, 219–23
environment see environmental policy
merit goods 190, 205
personal and social capital 94–5
preferences 190–92, 212–13
### Index

Govindarajan, V. 68, 71  
Granovetter, M. 38, 226  
Griffin, J. 140–41, 145  
gross domestic product (GDP) 134, 136  
gross national product (GNP) 134, 138–9  
Groves, M.O. 44–5  

Hair Jr, J.F. 72  
Hall, R.E. 23, 43, 91  
Hampden-Turner, C. 219  
Harsanyi, J.C. 180, 206, 207  
Hausman, D.M. 134, 182, 193, 200, 201, 206, 207  
Havel, Vaclav 109  
Head, J.G. 206  
Heap, S.H. 199  
Heckman, J.J. 20–21, 35, 45, 221  
Helliwell, J.F. 41  
heroin 164  

Herrnstein, R.J. 155, 159  
Heybey, B. 115  
High Performance Organizations (HPOs) 229, 240–41  
environment 229–30, 231, 237, 242  
high performance work systems (HPWS)  
behavioral economics 55  
organizational behavior and 56–7  
characteristic features 50–51  
conclusions 61, 264–5  
introduction 49–50  
mainstream  
human resource management 55  
organizational economics 54  
motivation 58  
organizational behavior 55–6  
behavioral economics and 56–7  
organizational capital 19, 39, 58–60  
performance superiority 51–4, 229  
slow diffusion of 60–61  
Hinduism 142, 143  
Hirschman, A. 181  
Hirschman, E.C. 156, 157, 158, 160, 166, 167  
Hobson, J.A. 140  
Hoch, S.J. 160  
Hodgson, G.M. 252  
Hoen, H.W. 121  
Hoffman, E. 140, 157, 180  
Hollis, M. 200, 207  
Hoopes, D.G. 64, 65  
Horne, J. 107, 121, 123  
human capital, definition of 14–15  
noncognitive 20–21  
Human Development Index (HDI) 135  
human nature  
conclusion 258  
economic man (EM) 245–6, 250–52, 257  
rationality and 159–61  
heterodox economic schools 255–6, 257  
humanistic economic man (HEM) 254, 257  
institutional economic man (IEM) 252  
social economic man (SEM) 253  
socio-economic man (S-EM) 254–5  
human man and rationality 161–2  
introduction 245  
map of 143–4, 246–9  
personal capital 256–8  
social capital 257–8  
human well-being see well-being  
humanistic economic man (HEM) 254, 257  
Hume, David 198  
Hungary 111, 120  
Hunter, J.E. 81  
Huselid, M.A. 52, 56  
Ichniowski, C. 53, 59  
ideal socio-economy 147, 268–9  
industrial policy 219–20  
infrastructure, social see government policies  
Inglehart, R. 137  
institutional economic man (IEM) 252  
institutions and government policies 23, 43, 91, 219–23  
environment see environmental policy  
merit goods 190, 205  
personal and social capital 94–5  
preferences 190–92, 212–13  
intangible capital, definition of 15, 23–5
conclusions 95–6, 265
contribution to economic growth 89–91
definitions of 19–20, 35–6, 82–3
earnings, studies explaining 43–5, 91–2
economic growth and IC formation 79–81
EI see emotional intelligence
human development 256–8
implications 94–5
individual predispositions and 183–4, 193–4
productivity, individual differences in 81–2
rationality, true 211–12
social capital and 92–3
socialist and capitalist systems 103–4
well-being 144, 267
personal intellectual capital, definition of 21
Pfeffer, J. 50, 52, 54, 56, 60, 61, 229
Phelps, J.K. 171
philosophy
Aristotle 139–40, 161, 201
Physical Quality of Life Index 135
Poland 109, 111–12, 113–14, 119–20, 124, 125
Poole, M.S. 74
Porter, M.E. 240
Postmaterialism 137
Powell, T.C. 71
preference formation, model of actual preferences 177–8
conclusions 192–3
externalities 185, 188–9
implications
altruism 190
government policy 190–92
merit goods 190
introduction 176–7
metapreferences 178–9
other multiple self conceptions 187–8
predispositions and personal capital 183–4
summary 185–6
true preferences 179–82
unrestrained preferences 182–3
principal-agent problem 54, 58
Index

privatization
   Eastern European transition 107, 111–12
   transition strategy 119, 123–4
Procter & Gamble 50
psychological capital 20, 83
psychology
   self-actualization 140
public disclosure 235–6
Puryear, H.B. 180
Putnam, R.D. 16–17, 34, 36, 38, 94

Qizilbash, M. 141

Rahula, W. 208
Raines, J. 199
rationality
   conclusion 213–14
   economic man and 159–61
   of ends 198–201
   essence of 197–8
   human man and 161–2
   instrumental 197–8
   introduction 197
   theory of addiction 153–5
   true preferences 182
   analytical framework 201–5
   comparison of economic and true rationality 209–12
   merit goods 205, 214
   policy implications 205, 212–13, 222–3
   religions 208–9
   writings with similar ideas 205–8

Ratnapala, S. 22
Redefining Progress
   Genuine Progress Indicator (GPI) 135–6
Reich, R. B. 220
relational wealth (RW) 136–7, 145
relative status 136
religion 141–3, 208–9
   Buddhism 142, 143, 172, 181, 208, 247
Remenyi, D. 70
rent-seeking 110, 120
Rescher, N. 197, 198, 199, 206–7
retail buyers 35
Rhoads, S.E. 190, 202, 212
Romania 111

Romer, P.M. 90
Rosefielde, S. 110
Ruden, R.A. 156, 158, 159, 163, 167, 172, 173
Rupasingha, A. 42
Ruskin, John 177, 194
Russia 109–10, 111, 120, 122

Sachs, J.D. 90, 107, 114
Samuels, W.J. 253
Schelling, T.C. 159, 179, 187
Schultz, T.W. 14
Schwartz, T. 158, 247
Seitzovsky, T. 207
Segal, J.M. 140, 201
Segerson, K. 234
self-regulation see environmental policy
Selowsky, M. 114
Sen, A. 134, 138–9, 145, 178, 193, 207, 224
Serageldin, I. 17, 33
ServiceMaster 50
Sidgwick, H. 206
Simmons, S. 86
Singapore 124
Sismondi, J-C-L. Simonde de 140
Sison, A.J.G. 14, 22
Slovakia, Republic of 111
Slovenia 111, 124
Smart, B. 238
Smith, Adam 14, 80
Smith, G.A. 259
Smith, H. 142, 143
social capital
   addictive behavior, model of 165
   definition of 15–19
   economic growth 36–40
   empirical findings 40–43, 90–91
   human development 257–8
   organizational capital see organizational capital
   personal capital and 92–3
   socialist and capitalist systems 105
   Soviet Union, former 117, 118
   well-being 144–5
social economic man (SEM) 253
social infrastructure see government policies
social responsibility 241
<table>
<thead>
<tr>
<th>Term</th>
<th>Page(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>socialist and capitalist systems</td>
<td>250</td>
</tr>
<tr>
<td>hard and soft elements</td>
<td>100–101</td>
</tr>
<tr>
<td>implications for system change</td>
<td>105–6</td>
</tr>
<tr>
<td>Kornai’s models</td>
<td>101, 102</td>
</tr>
<tr>
<td>revising</td>
<td>101–3</td>
</tr>
<tr>
<td>personal capital</td>
<td>103–4</td>
</tr>
<tr>
<td>social capital</td>
<td>105</td>
</tr>
<tr>
<td>socio-economic man (S-EM)</td>
<td>254–5</td>
</tr>
<tr>
<td>socio-economic (SE) entities</td>
<td>226–9</td>
</tr>
<tr>
<td>socio-economy, ideal</td>
<td>147, 268–9</td>
</tr>
<tr>
<td>Solow, R.M.</td>
<td>3</td>
</tr>
<tr>
<td>South Korea</td>
<td>124</td>
</tr>
<tr>
<td>Southwest Airlines</td>
<td>50</td>
</tr>
<tr>
<td>Soviet Union, former</td>
<td>110–11, 114, 117, 118</td>
</tr>
<tr>
<td>Russia</td>
<td>109–10, 111, 120, 122</td>
</tr>
<tr>
<td>Sovik, R.</td>
<td>181</td>
</tr>
<tr>
<td>Spence, D.B.</td>
<td>231</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>138–9</td>
</tr>
<tr>
<td>steel industry</td>
<td>52, 53</td>
</tr>
<tr>
<td>Stewart, H.</td>
<td>214</td>
</tr>
<tr>
<td>Stewart, T.A.</td>
<td>21</td>
</tr>
<tr>
<td>Stigler, G.</td>
<td>177, 178</td>
</tr>
<tr>
<td>strategic planners</td>
<td>35, 88</td>
</tr>
<tr>
<td>stress</td>
<td>166–7</td>
</tr>
<tr>
<td>intrapsychic</td>
<td>179</td>
</tr>
<tr>
<td>Sugden, R.</td>
<td>133, 138, 139, 198, 199</td>
</tr>
<tr>
<td>Taiwan</td>
<td>124</td>
</tr>
<tr>
<td>Tellegen, A.</td>
<td>139</td>
</tr>
<tr>
<td>Thaler, R.H.</td>
<td>187</td>
</tr>
<tr>
<td>Thomson, J.A.K.</td>
<td>161</td>
</tr>
<tr>
<td>Tollison, R.D.</td>
<td>176</td>
</tr>
<tr>
<td>Tomer, J.F.</td>
<td>13, 19, 20, 35, 39, 56, 57, 59, 64, 65, 76, 82, 83, 93, 100, 104, 105, 141, 144, 145, 162, 166, 168, 169, 201, 210, 219, 226, 228, 229, 257</td>
</tr>
<tr>
<td>Torsvik, G.</td>
<td>37</td>
</tr>
<tr>
<td>Total Quality Management (TQM)</td>
<td>50–51</td>
</tr>
<tr>
<td>environment</td>
<td>230, 236</td>
</tr>
<tr>
<td>transition economies</td>
<td>126, 266</td>
</tr>
<tr>
<td>conclusion</td>
<td>99–100</td>
</tr>
<tr>
<td>neo-liberal transition strategy</td>
<td>107–8, 121, 123</td>
</tr>
<tr>
<td>outcomes in</td>
<td>108–12</td>
</tr>
<tr>
<td>South Korea</td>
<td>124</td>
</tr>
<tr>
<td>Southwest Airlines</td>
<td>50</td>
</tr>
<tr>
<td>Soviet Union, former</td>
<td>110–11, 114, 117, 118</td>
</tr>
<tr>
<td>Russia</td>
<td>109–10, 111, 120, 122</td>
</tr>
<tr>
<td>Sovik, R.</td>
<td>181</td>
</tr>
<tr>
<td>Spence, D.B.</td>
<td>231</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>138–9</td>
</tr>
<tr>
<td>steel industry</td>
<td>52, 53</td>
</tr>
<tr>
<td>Stewart, H.</td>
<td>214</td>
</tr>
<tr>
<td>Stewart, T.A.</td>
<td>21</td>
</tr>
<tr>
<td>Stigler, G.</td>
<td>177, 178</td>
</tr>
<tr>
<td>strategic planners</td>
<td>35, 88</td>
</tr>
<tr>
<td>stress</td>
<td>166–7</td>
</tr>
<tr>
<td>intrapsychic</td>
<td>179</td>
</tr>
<tr>
<td>Sugden, R.</td>
<td>133, 138, 139, 198, 199</td>
</tr>
<tr>
<td>Taiwan</td>
<td>124</td>
</tr>
<tr>
<td>Tellegen, A.</td>
<td>139</td>
</tr>
<tr>
<td>Thaler, R.H.</td>
<td>187</td>
</tr>
<tr>
<td>Thomson, J.A.K.</td>
<td>161</td>
</tr>
<tr>
<td>Tollison, R.D.</td>
<td>176</td>
</tr>
<tr>
<td>Tomer, J.F.</td>
<td>13, 19, 20, 35, 39, 56, 57, 59, 64, 65, 76, 82, 83, 93, 100, 104, 105, 141, 144, 145, 162, 166, 168, 169, 201, 210, 219, 226, 228, 229, 257</td>
</tr>
<tr>
<td>Torsvik, G.</td>
<td>37</td>
</tr>
<tr>
<td>Total Quality Management (TQM)</td>
<td>50–51</td>
</tr>
<tr>
<td>environment</td>
<td>230, 236</td>
</tr>
<tr>
<td>transition economies</td>
<td>126, 266</td>
</tr>
<tr>
<td>conclusion</td>
<td>99–100</td>
</tr>
<tr>
<td>neo-liberal transition strategy</td>
<td>107–8, 121, 123</td>
</tr>
<tr>
<td>outcomes in</td>
<td>108–12</td>
</tr>
<tr>
<td>social capital</td>
<td>94, 220</td>
</tr>
<tr>
<td>Ukraine</td>
<td>111</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>60</td>
</tr>
<tr>
<td>United Nations</td>
<td></td>
</tr>
<tr>
<td>Development Programme</td>
<td></td>
</tr>
<tr>
<td>Human Development Index</td>
<td>(HDI) 135</td>
</tr>
<tr>
<td>United States</td>
<td>37, 191, 221</td>
</tr>
<tr>
<td>anorexia nervosa</td>
<td>185</td>
</tr>
<tr>
<td>emotional intelligence</td>
<td>94, 220</td>
</tr>
<tr>
<td>Environmental Protection Agency</td>
<td>(EPA) 239–40</td>
</tr>
<tr>
<td>exercise program</td>
<td>213</td>
</tr>
<tr>
<td>high performance work systems</td>
<td>(HPWS) 60, 61</td>
</tr>
<tr>
<td>Native Americans</td>
<td>167</td>
</tr>
<tr>
<td>New York State</td>
<td>223</td>
</tr>
<tr>
<td>social capital</td>
<td>94, 220</td>
</tr>
</tbody>
</table>
Index

steel manufacturing 53
Vietnam War 167
USAA 50
Uzbekistan 124
van der Veen, R.J. 179
Veblen, T. 3
Venkatraman, N. 68
Ver Eecke, W. 205, 214
Viner, J. 246
Virgin Atlantic Airways 50
voluntary agreements/approaches (VAs) 233–5

Waddock, S. 19
Wal-Mart 50
Waters, W.R. 253
Weisinger, H. 86
welfarism 134
revision of 135–6
well-being
conclusions 150
determinants of relationships 136–7
relative status 136
functionings approach 138–9
genesis and set-points 139
human nature 143–4
humanistic philosophy and psychology 139–40

introduction 133–4
ordinary/overall functioning approach 145–7
accounting for well-being 148–50
ideal society 147
implications 147–8
personal capital 144, 267
prudential values 140–41
religion 141–3
social capital 144–5
subjective 137–8
welfarism 134
revision of 135–6

Wellisz, S. 113
Westlund, H. 19
Whalen, C.J. 252
Whiteley, P.F. 42
Wilber, K. 143–4, 245, 246–9, 254
Williamson, M. 180
Winston, G.C. 154–5, 187
Woolcock, M. 39
x-efficiency theory 55, 187

Yuengert, A.M. 155
Zak, P.J. 42
Zeleny, M. 17