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Seminar:

Institutional and Evolutionary
Economics
(Evolutionary-Institutional Economics)

Core Conceptions I: Economic Evolution

6) Properties of Evolutionary Socio-Economic Systems

(1) conditional:

- *direct interdependence*, gives room for direct interactions
- *social dilemma* decision structure: different options to act
- *recurrent*, i.e. no defined end (“supergame”), gives room for “learning”; and *sequential*, gives way for “responsiveness”

(2) resulting:

- *complexity*, “many” and “multiple” relations
- *strong uncertainty*, e.g. “initial strategic strong uncertainty”
- *path dependence*, cumulativeness, irreversibility
- *non-ergodicity*: non-“representative” agents, actions, or relations
- *idiosyncrasy*: butterfly effects
- *non-teleology*: open-ended

Core Conceptions I: Economic Evolution

6) Properties of Evolutionary Socio-Economic Systems, **Cont'd.**

- non-equilibrium, non-efficiency, non-optimality; non-stability
- *morphogenesis, autopoiesis*: emergence, “self-organization”
... informally, unintentionally, without design
- *homeostasis, hysteresis*: after an external shock, total brak
down? keeping the direction?, returning to the earlier path?,
blind drift or purposeful deliberation involved?
- depending on model specifications ...