

Introduction

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Bio-sketch: David Emanuel Andersson's authored books include *The Economics of Experiences, the Arts and Entertainment* (Edward Elgar, 2006) and *Property Rights, Consumption and the Market Process* (Edward Elgar, 2008). David is the Editor-in-Chief of COSMOS + TAXIS and the editor or co-editor of five books: *Gateways to the Global Economy* (Edward Elgar, 2000); *Asia-Pacific Transitions* (Palgrave Macmillan, 2001); *Handbook of Creative Cities* (Edward Elgar, 2011); *The Spatial Market Process* (Emerald, 2012), and *Private Urban Planning: Opportunities and Limits* (Edward Elgar, forthcoming). His more than 30 scholarly articles have appeared in journals such as *Regional Science and Urban Economics*, *Technological Forecasting and Social Change*, and *Urban Studies* and as contributions to edited books. David's research program can be summarized as an institutional approach to urban development processes.

Abstract: The Editor-in-Chief introduces the inaugural issue of COSMOS+TAXIS.

Keywords: Cosmos; emergent order; Hayek; spontaneous order; taxis

COSMOS+TAXIS takes its inspiration from Friedrich Hayek's (1979) distinction between spontaneous and planned orders. A spontaneous order, as Gus diZerega explains in the opening article, evolves in an orderly but unplanned fashion because of the presence of shared rules, simplified feedback, and status equality among the order's participants. Though the most studied instantiation is the market order, this journal is concerned with the broad manifold of spontaneous orders. Michael Polanyi (1962) used the term "spontaneous order" to explicate the evolution of science, while diZerega (1989) extended its application to democracy as distinguished from the traditional authoritarian nation state, the largest-scale example of a *taxis*.

A *taxis* has three distinguishing features: it is brought into existence through the conscious planning of one or several people; it has—at least at the outset—a clear hierarchy of goals; and it is seen as the tool for realizing such goals. In other words, it is an organization. Authoritarian states, governments (even in democracies), profit-seeking firms, and universities are all *taxes* in this sense.

It is our belief that Hayek's and Polanyi's contributions constitute the foundation for a new research program in the social sciences. Spontaneous-order theory has the potential for clearing up a great deal of confusion about the workings

of markets, democracies, and the global scientific community. It is thus of obvious relevance to economics, political science and the philosophy and sociology of science. But spontaneous orders are only a subset of a wider class of *emergent orders*. As diZerega explains, emergent orders are unplanned and exhibit orderly development trajectories, but only some of them are spontaneous orders in the sense of providing easily interpreted feedback to order participants. Examples of emergent orders that are not spontaneous in the sense of Hayek or Polanyi are civil society, the ecosystem, and human cultures. Thus emergent orders in this more general sense are relevant not only to the three aforementioned disciplines, but also to sociology and biology. It is our intent that COSMOS + TAXIS will become an arena for multidisciplinary conversations that engage scholars across all five disciplines.

diZerega's article sets the stage for such conversations by introducing a vocabulary and taxonomy that should facilitate communication among scholars in different disciplines. In this introduction, I have chosen to adhere to diZerega's choice of terminology to pave the way for a shared language within our scholarly community. A series of workshops that preceded the launch of this journal made one problem rather obvious: scholars in different disciplines do not interact

much with one another because they use different terms or languages to theorize about the same or similar phenomena.

Most spontaneous-order and indeed emergent-order contributions in the social sciences have focused on markets. Insights, using a different terminology, preceded Hayek's use of the terms *cosmos* and *taxis* by several centuries. Perhaps the most important of these came from Scottish Enlightenment thinkers such as Adam Ferguson, David Hume, and Adam Smith. To take but one example, Smith's metaphor of the "invisible hand" falls squarely into this intellectual tradition. It is therefore somewhat disappointing that economists have only intermittently shown an interest in our theoretical framework, even in the schools of thought that would seem most hospitable to a spontaneous-order approach to understanding markets.

Hayek is not only known as a spontaneous-order theorist. He is also—and probably more widely—known as one of the most influential members of the Austrian school of economics. But Austrian economists have only rarely explored questions of how individual actions cause emergent structures on a more aggregate level of the economy. One reason for this is an epistemological split within the Austrian school itself: Hayek's teacher Ludwig von Mises (1949) insisted on a deductive logic of choice grounded in methodological individualism. It is surely worth noting that Hayek only reluctantly abandoned the theoretical strictures of his teachers in Vienna (this also helps explain Hayek's transition from technical economics to a more interdisciplinary type of social science from the 1950s onwards).

The other obvious candidate for a spontaneous-order understanding of economics is evolutionary economics, which often uses analogies from biology and focuses on how markets interact with human learning processes. Evolutionary economics is, in many ways, closer to the perspective advocated here, but tends to miss the key distinctions between the emergent order of an ecosystem and the *spontaneous* order of a market. The simplifying and knowledge-disseminating function of market prices and the effects of the rule of law (as opposed to rule by law) are not explicitly addressed in the evolutionary classics, from Schumpeter (1934) to Nelson and Winter (1985).

Neither Austrian nor evolutionary economics has constituted the mainstream of twentieth-century economics, however. And the lack of awareness among "neoclassical" mainstream economists of spontaneous-order processes dwarfs the challenges that Austrian or evolutionary economists face. Mainstream economics has borrowed heavily from physics in its pursuit of mathematical sophistication,

at the considerable expense of having to disregard some of the main causes as well as effects of markets. A partial list of mainstream neglect includes dispersed knowledge, cognitive limitations, learning, imitation, and even how *intentional* and *self-conscious* human interactions must differ from the interactions of atoms or gases. Thus students of mainstream textbooks in economics are liable to get the impression that the key components of conceiving the market as a spontaneous order – entrepreneurial actions, (static) institutional constraints, and (dynamic) institutional evolution—are peripheral to the discipline.

diZerega is a political scientist, but the three other contributors to this issue represent each of the three schools of economics mentioned above. Johanna Palmberg is an Austrian economist with a particular interest in entrepreneurship and the role of cities in facilitating economic development. Jason Potts is known as a key figure in evolutionary microeconomics. Eric Scheffel takes mainstream (Walrasian) economics as his starting point, asking himself how modeling must change in order to incorporate Hayekian insights.

The subtext of this issue could therefore be "a political scientist meets three different types of economist to discuss Hayekian *cosmoi*." Inevitably, the discussion is therefore more concerned with markets than with other spontaneous or emergent orders. This should not be taken as a portent of things to come. Future issues of COSMOS + TAXIS will focus on other disciplines and phenomena, including not only democracy and science but also language, ecology, and the worldwide web. It is my sincere hope that this journal may play a role, however minor, in creating a new paradigm that spans several—if not all—of the social sciences.

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