

ABSTRACT

Hayek's Four Tendencies Toward Equilibrium

In the first section of this essay we distinguish between analytical and empirical tendencies. This distinction is central to the subsequent analysis. In the second section we present a very brief overview of the four meanings that Hayek attaches to the general term "tendency toward equilibrium." Section Three digresses from our main task to provide the reader with a clear picture of the equilibrium toward which it is claimed we are tending. Section Four is the heart of the article. Here we explore in considerable detail the characteristic features of each of the tendencies. In Section Five we conclude that although we have found no critical flaws in the basic structure of his analysis, Hayek, nonetheless, has failed in his effort to provide us with a genuinely causal analysis of the process of equilibration.