On market forces and human evolution

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Abstract: This paper studies how an institution such as markets affects the evolution of mankind. My key point is that the forces of natural selection are made weaker because trade allows people to specialize in those activities where they are strong, and to offset their weaknesses by purchasing adequate goods on the market. Absent trade, people must allocate their time among all the activities necessary for their fitness. A fitness advantage in any given dimension will increase survival probability, so that in the long run natural selection makes sure that population is entirely made of individuals with the best alleles at all locations. Under trade, there exist long-run equilibria where less fit individuals are able to achieve the same suvival potential as the fittest, by specializing in activities where they are not at a disadvantage, and purchasing goods that are substitute for activities for which they are 'weak'.

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