

This dissertation explores processes of *social learning* and *imitation* in several economic contexts. The first two opening chapters introduce a reader to the topic, provide a survey of literature, and lay down the background for particular economic settings examined in the consequent chapters of the dissertation.

In chapter 3 we formulate a simple model of *informational cascades* in a network to examine a relationship between the structure of communication network and efficiency of social learning. We find that while an increase in the share of ‘global’ links always makes the society better off, an increase in the density of the network may work in both directions: it has a positive effect when the network is sparse and negative when the network becomes dense. The results are discussed from the perspective of the ongoing process of ‘information-based’ globalization.

Chapter 4 presents a model of informational cascades in an environment where information about the state of the world is distributed asymmetrically between two sides of the market. An example of such situation may be financing new technologies. We compare several settings with different scope of information available to public, and find that in the situation where only outcomes (but not actions) are publicly observable, agents tend to be ‘overoptimistic’ about the state of the world.

Chapter 5 explores the relationship between social structure and diffusion of new consumer goods. We take into account that consumption behaviour is often driven by social emulation, and that the social emulation is constrained by dominating social norms. We formulate a simple evolutionary model based on replicator dynamics and find that more equal class structure and liberal social norms favour consumer good innovations. We frame our argument as a contribution to the debate on the role played by demand in the process of industrialization in the Western Europe.

In the evolutionary theory the path-dependency is often attributed to the existence of “focusing devices / technological guideposts / technological trajectories”, i.e. the theory emphasises the role of the cognitive factors framing the direction of innovation search. In Chapter 6 we examine how the framework of path-dependency and technological trajectories can be applied to explain the observed distribution of patent values as it is revealed in the distribution of patent citations.

The last chapter concludes the dissertation.