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Title: An evolutionary Cournot model with limited market knowledge

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Highlights

- We propose and analyze an evolutionary game of Cournot competition with two groups of firms that can choose between two different boundedly rational behavioral rules sharing the same Nash equilibria.
- The evolutionary pressure that regulates the dynamics of the fraction of firms using a given behavioral rule is based on a profit-driven (exponential) replicator dynamics.
- Memory effects on past profits and random noise in the demand function are considered for comparison.
- Analytical conditions for the evolutionary dominance of the less computational-demanding behavioral rule are provided and economic intuition is given.
- We study of out-of-equilibrium dynamics, with long-run coexistence of both strategies, including some complex (oscillatory) time patterns.

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