

**Author's response to referees' comments on MS 2025: A Theory of Economic Policy
Lock-in and Lock-out via Hysteresis: Rethinking Economists' Approach to
Economic Policy**

(1) Section 2, p.5. Added a discussion of “strong” versus “weak” hysteresis plus a reference to Amable et al. (1995) [*Referee 2*].

(2) Section 3, p.6 – 12. This section has been substantially revised and rewritten, and Figure 2 has been redrawn. With the help of the new Figure 2, the section further unpacks and makes clear how the policy lock-in feedback loop works and what the channels of policy hysteresis are [*Referee 2*].

The revisions clarify the connection of policy lock-in to the work of Acemoglu & Robinson (2013) and Rodrik (2014).

(3) Section 4, p.12 – 16. Added a new section detailing the mechanisms of hysteresis and how those mechanisms deliver policy lock-in. [*Referee 1*].

(4) Section 5, p. 16-17. I have added a new section that discusses the implications of policy lock-in for optimal policy theory.

(5) Section 6, p.17-25. This section has been revised so that the examples of policy lock-in connect with the theoretical discussion of the mechanisms of hysteresis described in the new section 4 [*Referees 1 & 2*].

p.24 Added more explanation to Figure 3 [*Referee 2*].

(6) Section 7, p.26-27. I have added a new section that discusses the implications of policy lock-in for economic and political crisis theory.

(7) Deleted section on the globalization trilemma. The discussion of the globalization trilemma was peripheral to the main paper and is best treated in a stand-alone paper/note.

(8) The paper has been scrubbed for grammar and spelling of “hysteresis” [*Referees 1 & 2*].

The “minor issues” comments of referee 2 have been addressed in the above revisions.