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Carl's Nonlinear Cobweb

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Carl's Nonlinear Cobweb

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Abstract

This essay surveys some of my work on expectations, learning and bounded rationality within the classical cobweb model following early inspiring ideas from Carl Chiarella. In particular, I focus on the role of nonlinear dynamics, learning and heterogeneity within the cobweb framework and how price fluctuations in the cobweb theory fit with observations of individual and aggregate behaviour from laboratory experiments with human subjects.

JEL Classification: D84, D83, E32, C92

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