Record Nr. UNINA9910786032003321 Autore **Hommes Carsien Harm** Titolo Behavioral rationality and heterogeneous expectations in complex economic systems / / Cars Hommes, University of Amsterdam center of nonlinear dynamics in economics and finance (CeNDEF), Amsterdam school of Economics and Tinbergen Institute [[electronic resource]] Cambridge:,: Cambridge University Press,, 2013 Pubbl/distr/stampa **ISBN** 1-139-61048-1 1-107-23551-0 1-139-60885-1 1-139-61234-4 1-139-62164-5 1-283-98666-3 1-139-62536-5 1-139-09427-0 1-139-61606-4 Descrizione fisica 1 online resource (xvii, 253 pages) : digital, PDF file(s) Classificazione BUS044000 Disciplina 330.01/9 Soggetti Rational expectations (Economic theory) Economics - Psychological aspects Lingua di pubblicazione Inglese **Formato** Materiale a stampa Livello bibliografico Monografia Note generali Title from publisher's bibliographic system (viewed on 05 Oct 2015). Nota di bibliografia Includes bibliographical references and index. Nota di contenuto Machine generated contents note: 1. Introduction; 2. Bifurcations and chaos in 1-D systems; 3. Bifurcations and strange attractors in 2-D systems; 4. The nonlinear cobweb model; 5. The cobweb model with heterogeneous expectations; 6. An asset pricing model with heterogeneous beliefs; 7. Empirical validation; 8. Laboratory experiments. Recognising that the economy is a complex system with boundedly Sommario/riassunto rational interacting agents, the book presents a theory of behavioral rationality and heterogeneous expectations in complex economic

systems and confronts the nonlinear dynamic models with empirical stylized facts and laboratory experiments. The complexity modeling

paradigm has been strongly advocated since the late 1980s by some economists and by multidisciplinary scientists from various fields, such as physics, computer science and biology. More recently the complexity view has also drawn the attention of policy makers, who are faced with complex phenomena, irregular fluctuations and sudden, unpredictable market transitions. The complexity tools - bifurcations, chaos, multiple equilibria - discussed in this book will help students, researchers and policy makers to build more realistic behavioral models with heterogeneous expectations to describe financial market movements and macro-economic fluctuations, in order to better manage crises in a complex global economy.