



# Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6)

By Lars Peter Hansen

Download now

Read Online 

## Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6) By Lars Peter Hansen

Written by Lars Peter Hansen (Nobel Laureate in Economics, 2013) and Thomas Sargent (Nobel Laureate in Economics, 2011), *Uncertainty within Economic Models* includes articles adapting and applying robust control theory to problems in economics and finance. This book extends rational expectations models by including agents who doubt their models and adopt precautionary decisions designed to protect themselves from adverse consequences of model misspecification. This behavior has consequences for what are ordinarily interpreted as market prices of risk, but big parts of which should actually be interpreted as market prices of model uncertainty. The chapters discuss ways of calibrating agents' fears of model misspecification in quantitative contexts.

Readership: Graduate students; researchers and economists interested in Econometrics; Macroeconomics and Dynamic Programming.

 [Download Uncertainty within Economic Models \(World Scientif ...pdf](#)

 [Read Online Uncertainty within Economic Models \(World Scientif ...pdf](#)

# **Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6)**

*By Lars Peter Hansen*

**Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6)** By Lars Peter Hansen

Written by Lars Peter Hansen (Nobel Laureate in Economics, 2013) and Thomas Sargent (Nobel Laureate in Economics, 2011), *Uncertainty within Economic Models* includes articles adapting and applying robust control theory to problems in economics and finance. This book extends rational expectations models by including agents who doubt their models and adopt precautionary decisions designed to protect themselves from adverse consequences of model misspecification. This behavior has consequences for what are ordinarily interpreted as market prices of risk, but big parts of which should actually be interpreted as market prices of model uncertainty. The chapters discuss ways of calibrating agents' fears of model misspecification in quantitative contexts.

Readership: Graduate students; researchers and economists interested in Econometrics; Macroeconomics and Dynamic Programming.

**Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6)** By Lars Peter Hansen **Bibliography**

- Sales Rank: #2090842 in Books
- Published on: 2014-11-05
- Released on: 2014-09-09
- Original language: English
- Number of items: 1
- Dimensions: 9.00" h x 1.09" w x 6.00" l, .0 pounds
- Binding: Hardcover
- 484 pages



[Download Uncertainty within Economic Models \(World Scientif ...pdf](#)



[Read Online Uncertainty within Economic Models \(World Scientif ...pdf](#)

## Download and Read Free Online Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6) By Lars Peter Hansen

---

### Editorial Review

#### Review

*"Studying this work in real time taught me a lot, but seeing it laid out in conceptual, rather than chronological, order provides even clearer insights into the evolution of this provocative line of research. Hansen and Sargent are two of the best economists of our time, they are also among the most dedicated teachers in our profession. They have once again moved the research frontier, and with this book provide a roadmap for the rest of us to follow. This is a must-have for anyone interested in modeling uncertainty, ambiguity and robustness."* -- Stanley E Zin, William R Berkley Professor of Economics and Business, Leonard N Stern School of Business New York University

#### From the Inside Flap

Uncertainty within Economic Models is a collection of papers adapting and applying robust control theory to problems in economics and finance. This book extends rational expectations models by including agents who doubt their models and adopt precautionary decisions designed to protect themselves from adverse consequences of model misspecification. This behavior has consequences for what are ordinarily interpreted as market prices of risk, but big parts of which should actually be interpreted as market prices of model uncertainty. The chapters discuss ways of calibrating agents' fears of model misspecification in quantitative contexts.

#### About the Author

**Lars Peter Hansen**, the David Rockefeller Distinguished Service Professor at the University of Chicago, is an internationally known leader in economic dynamics. He was awarded the 2013 Nobel Prize in Economics, shared with Eugene F Fama (University of Chicago) and Robert J Shiller (Yale University), for their empirical analysis of asset prices." Hansen guides the scholarly direction of the Becker Friedman Institute and chairs the Institute Research Council. He was one of the forces behind the 2008 creation of the Milton Friedman Institute, the predecessor of the Becker Friedman Institute, and served as its founding director.

Hansen's work explores formal implications of dynamic economic models in which decision makers face uncertain environments. The main theme of his research has been to devise and apply econometric methods that are consistent with the probabilistic framework of the economic models under investigation. His work has implications for consumption, savings investment, and asset pricing.

Hansen's early research in econometrics was aimed at developing time series statistical methods to investigate one part of an economic model without having to fully specify and estimate all of the model ingredients. The applications he explored with several coauthors included systems that are rich enough to support models of asset valuation and to identify and clarify empirical puzzles, where real-world financial and economic data were at odds with prevailing academic models.

He continues to explore, analyze, and interpret implications of dynamic economic models in environments with uncertainty from a time-series perspective. His recent research explores ways to quantify intertemporal risk-return tradeoffs and ways to model economic behavior when decision makers are uncertain about how to forecast future economic events.

Hansen won the 2010 BBVA Foundation Frontiers of Knowledge Award in the Economics, Finance and Management "for making fundamental contributions to our understanding of how economic actors cope with

risky and changing environments." He also received the CME Group-MSRI Prize in Innovative Quantitative Applications in 2008 and the Erwin PleinNemmers Prize in Economics from Northwestern University in 2006.

He was selected to deliver the Princeton Lectures in Finance at the BendheimCenter for Finance in December 2010, the Tjalling C Koopmans Memorial Lectures at Yale in September 2008, and the Third Toulouse Lectures in Economics at the Université de Toulouse in May 2005.

**Thomas J Sargent** is Professor of Economics at New York University. He was awarded the 2011 Nobel Prize in Economics, shared with Princeton University's Christopher Sims, for their empirical research on cause and effect in the macroeconomy. He received his bachelors degree from the University of California at Berkeley, winning the medal as the university most distinguished scholar in the Class of 1964, and obtained his PhD at Harvard University in 1968. He has been Professor of Economics at the University of Minnesota, the David Rockefeller Professor at the University of Chicago, and the Donald Lucas Professor of Economics at Stanford University. He has been a Senior Fellow at the Hoover Institution since 1987. He is a Fellow of the National Academy of Sciences, the American Academy of Arts and Sciences, and the Econometric Society. He has been President of the American Economic Association, the Econometric Society, and the Society for Economic Dynamics. In his Nobel speech in Stockholm he described himself as someone who aspires to use statistics and economic theory to understand how governments and markets can improve peoples' lives.

## Users Review

### From reader reviews:

#### **Barry Houde:**

Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6) can be one of your beginner books that are good idea. All of us recommend that straight away because this guide has good vocabulary that could increase your knowledge in vocab, easy to understand, bit entertaining but nevertheless delivering the information. The author giving his/her effort to place every word into enjoyment arrangement in writing Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6) nevertheless doesn't forget the main stage, giving the reader the hottest as well as based confirm resource information that maybe you can be one among it. This great information can certainly drawn you into fresh stage of crucial pondering.

#### **Sarah Alexander:**

This Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6) is great book for you because the content which is full of information for you who have always deal with world and also have to make decision every minute. That book reveal it facts accurately using great arrange word or we can declare no rambling sentences included. So if you are read the item hurriedly you can have whole facts in it. Doesn't mean it only gives you straight forward sentences but hard core information with attractive delivering sentences. Having Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6) in your hand like having the world in your arm, details in it is not ridiculous 1. We can say that no guide that offer you world within ten or fifteen small right but this publication already do that. So , this really is good reading book. Hello Mr. and Mrs. busy do you still doubt that will?

**Javier Link:**

You could spend your free time to learn this book this publication. This Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6) is simple bringing you can read it in the park, in the beach, train and soon. If you did not have got much space to bring the particular printed book, you can buy often the e-book. It is make you much easier to read it. You can save the particular book in your smart phone. And so there are a lot of benefits that you will get when one buys this book.

**Irma Chavez:**

What is your hobby? Have you heard that question when you got learners? We believe that that concern was given by teacher with their students. Many kinds of hobby, Every person has different hobby. And you know that little person such as reading or as studying become their hobby. You should know that reading is very important along with book as to be the thing. Book is important thing to provide you knowledge, except your teacher or lecturer. You discover good news or update concerning something by book. Different categories of books that can you choose to use be your object. One of them is this Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6).

**Download and Read Online Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6) By Lars Peter Hansen #JFZ01TMQL2C**

# **Read Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6) By Lars Peter Hansen for online ebook**

Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6) By Lars Peter Hansen Free PDF d0wnl0ad, audio books, books to read, good books to read, cheap books, good books, online books, books online, book reviews epub, read books online, books to read online, online library, greatbooks to read, PDF best books to read, top books to read Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6) By Lars Peter Hansen books to read online.

## **Online Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6) By Lars Peter Hansen ebook PDF download**

**Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6) By Lars Peter Hansen Doc**

**Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6) By Lars Peter Hansen MobiPocket**

**Uncertainty within Economic Models (World Scientific Series in Economic Theory) (Volume 6) By Lars Peter Hansen EPub**