

A Macroeconomic Model with Speculative Bubbles

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In the real world, there are large economic fluctuations, many related to the emergence and the bursting of asset bubbles. However, it is still not clear why bubbles emerge and how they affect real economies. Of course, since the 2008 crisis, there has been development on macroeconomics of rational bubble. We want to push it further. We develop a new macroeconomic model with speculative bubbles that can be extended into several directions.