

# Carlos Villalobos

DR. IN ECONOMICS · ASSISTANT PROFESSOR

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“Economics is not Causal it is Epistemic”

## Education

### University of Göttingen

DOCTOR OF ECONOMICS (DR. RER. POL.)

Göttingen, Germany

Graduated 2012

- Thesis: [Economic Inequality in Latin America: Migration, Education, and Structural Change](#)
- Included: Methodensommer GGG (Methods Summer School), (GGG), Georg-August-Universität Göttingen

### Oxford Poverty & Human Development Initiative (OPHI), University of Oxford

SUMMER SCHOOL ON MULTIDIMENSIONAL POVERTY ANALYSIS

Oxford, UK

July 2018

- Focus on multidimensional poverty measurement and analysis

### United Nations University - World Institute for Development Economics Research (UNU-WIDER)

INTERNSHIP IN DEVELOPMENT ECONOMICS

Helsinki, Finland

2011

- Project: Migration, Inequality and Poverty in Latin American Countries

### Facultad de Economía y Negocios, Universidad de Talca

INGENIERO COMERCIAL (MAJOR IN ECONOMICS)

Talca, Chile

1998 – 2004

- Distinción Máxima
- Included Long-term International Exchange Program (2001-2002) at the Faculty of Economic Sciences, University of Göttingen, Germany

## Research Areas

#### Poverty Analysis

Poverty Measurement, Monetary and Multidimensional Poverty, Redundancy

#### Public Finance

Fiscal Capacity, Unconditional Transfers, Flypaper Effect

#### Energy Economics

Energy Poverty, Cross-subsidy Analysis, Measurement Redundancy

#### Health Economics

Emergency Nutrition, Malnutrition Analysis, Estimation of COVID-19 prevalence, Measurement

#### Development Economics

Income Inequality, Migration, Impact Evaluation of Vocational Training Programs

#### Structural Epistemology

Belief Formation and Adaptation in Complex Systems, Epistemic Health, System Endogeneity

## Skills

#### Languages

Spanish (Native), English (Fluent, C2), German (Fluent, C2), Portuguese (Reading Proficiency)

#### Software & Programming

LaTeX, Microsoft Office Suite, Stata (Proficient), R (Proficient)

## Current Projects

#### Fondecyt Regular, Principal Investigator

Governance, the political economy of intergovernmental transfers, and the flypaper effect

#### Fondecyt Regular, COI

Prevalence, incidence, and risk factors of elder mistreatment in older adults. A cohort study

#### CORFO-CODESSER-UTALCA

$H_2V$  Empowering Productive Sectors with Green Hydrogen in the Araucanía Region - Chile

## Awards & Recognitions

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### ACADEMIC AWARDS & FELLOWSHIPS

2013	<b>Young Researcher Best Paper Award</b> , International Society for Comparative Economic Studies	Antwerpen, Belgium
2006	<b>Ph.D. Scholarship</b> , FIC-CONICYT, Chile	
2001	<b>DAAD Scholarship "Engineering Program"</b> , German Academic Exchange Service (DAAD) & Chilean Universities	Germany
1998	<b>Academic Excellence Scholarship</b> , Universidad de Talca	Chile

### INVITED ROLES & EXPERT CONTRIBUTIONS

2025	<b>Member of the Advisory Board</b> , Pakistan Development. Pakistan Institute of Development Economics	Islamabad, Pakistan
2022	<b>Keynote Speaker, "Multidimensional Poverty Analysis"</b> , Knowledge Sharing Session, Dutch Entrepreneurial Development Bank (FMO)	Netherlands
2021	<b>International Adviser</b> , Academics Stand Against Poverty (ASAP), Venezuelan Chapter	Venezuela
2018	<b>Workshop Instructor: AF method and multidimensional poverty analysis</b> , X Encuentro Anual de la Sociedad Chilena de Estudios Regionales (SOCHER)	UCN San Pedro de Atacama

### ACADEMIC SERVICE & COMMITTEE MEMBERSHIPS

	<b>Peer Reviewer for Doctoral Programs</b> , National Accreditation Commission (CNA), Chile	
	<b>Member. Evaluation Group for Doctoral Scholarships</b> , National Agency for Research and Development (ANID), Chile	
	<b>Member. Evaluation Group for Master Scholarships</b> , National Agency for Research and Development (ANID), Chile	
2025	<b>Member, Evaluation Group for Fondecyt Regular Projects</b> , Inter Trans Disciplinary Group, ANID (National Agency for Research and Development)	Chile
2024 to date	<b>Member, Evaluation Group for Fondecyt Iniciación Projects</b> , Inter Trans Disciplinary Group, ANID (National Agency for Research and Development)	Chile
2024 to date	<b>Member, Evaluation Group for Postdoctoral Projects</b> , Inter Trans Disciplinary Group, ANID (National Agency for Research and Development)	Chile
2020 to date	<b>Scientific Committee Member</b> , Arnoldshain Seminar XVII & 9th Meeting on International Economics	Villarreal and Alicante, Spain
2021	<b>Coordinator for Maule Region</b> , Chilean Energy Poverty Network (RedPE)	Chile

## Journal Publications

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### Household constraints and dysfunctional rural-urban migration.

2023

*Villalobos, C.\* & J. Riquelme*  
ECONOMIC POLICY AND ANALYSIS, 78, pp.  
1070-1088.

• DOI: [10.1016/j.eap.2023.04.016](https://doi.org/10.1016/j.eap.2023.04.016)

### Degree of association between healthcare indicators and poverty measures in Chile over the period 1992-2017.

2021

*González, L. & Villalobos, C.\**  
REVISTA MEDICA DE CHILE, 149(5), pp.  
779-789.

• DOI: [10.4067/s0034-98872021000500779](https://doi.org/10.4067/s0034-98872021000500779)

### A Retrospective Analysis of Stunting and Wasting in Venezuelan Children from 2017 to 2020: Programming Implications for a Protracted Crisis.

2021

*Raffalli, S.\* & Villalobos, C.\**  
FRONTIERS IN SUSTAINABLE FOOD  
SYSTEMS, 5, 638042.

• DOI: [10.3389/fsufs.2021.638042](https://doi.org/10.3389/fsufs.2021.638042)

**Energy poverty measures and the identification of the energy poor: A comparison between the utilitarian and multidimensional approaches in Chile.**

2021

*Villalobos, C. \*, C. Chavez & A. Uribe*

*ENERGY POLICY*, 152, 112146 (May 2021).

- DOI: [10.1016/j.enpol.2021.112146](https://doi.org/10.1016/j.enpol.2021.112146)

**Diverging identification of the poor: A non-random process. Chile 1992–2017.**

2020

*S. Klasen & Villalobos, C. \**

*WORLD DEVELOPMENT*, 130, 104944

(June 2020).

- DOI: [10.1016/j.worlddev.2020.104944](https://doi.org/10.1016/j.worlddev.2020.104944)

**SARS-CoV-2 Infections in the World: An Estimation of the Infected Population and a Measure of How Higher Detection Rates Save Lives.**

2020

*Villalobos, C. \**

*FRONTIERS IN PUBLIC HEALTH*, 8, p. 489.

- DOI: [10.3389/fpubh.2020.00489](https://doi.org/10.3389/fpubh.2020.00489)

**Assessing disaster capitalism in post-disaster processes in Chile: neoliberal reforms and the role of the corporate class.**

2020

*V. Sandoval, C. González-Muzzio,*

*Villalobos, C. & J. P. Sarmiento*

*DISASTER PREVENTION AND*

*MANAGEMENT*, 29(6).

- DOI: [10.1108/DPM-01-2020-0005](https://doi.org/10.1108/DPM-01-2020-0005)

**Distribution dynamics of Human Development in Mexico 1990-2010.**

2016

*Villalobos-Barría, C. \*, S. Klasen &*

*S. Vollmer*

*REVIEW OF INCOME AND WEALTH*, 62(S1),

pp. 47-67.

- DOI: [10.1111/roiw.12220](https://doi.org/10.1111/roiw.12220)

**The Impact of SENAI's vocational training program on employment, wages, and mobility in Brazil: Lessons for Sub Saharan Africa?**

2016

*Villalobos Barría, C. \* & S. Klasen*

*THE QUARTERLY REVIEW OF ECONOMICS*

*AND FINANCE*, 62, pp. 74-96.

- DOI: [10.1016/j.qref.2016.07.010](https://doi.org/10.1016/j.qref.2016.07.010)

## Books

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**Economic Inequality in Latin America: Migration, Education, and Structural Change**

2013

*Villalobos Barría, Carlos*

*Peter Lang, Frankfurt am Main*

- Series: Göttingen Studies in Development Economics (Edited by Hermann Sautter and Stephan Klasen).

## Book Chapters

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**The Dynamics of Poverty and Inequality in Chile and Honduras over the past three decades.**

2023

*Villalobos, Carlos \**

*In: Research Handbook on Poverty and*

*Inequality, edited by U. Wagle.*

- Edward Elgar Publishing, UK.

## **The Dynamics of Inequality Change in a Highly Dualistic Economy Honduras, 1991–2007.**

2014

• Oxford University Press.

*Villalobos Barría, Carlos\* with Stephan Klasen and Thomas Otter*  
*In: The New Policy Model, Inequality and Poverty in Latin America: Evidence from the Last Decade and Prospects for the Future, edited by A. Cornia.*

## **Other Publications**

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### **Energy poverty measures and the identification of the energy poor: A comparison between the utilitarian and multidimensional approaches in Chile.**

2019

*Villalobos, Carlos\* with Carlos Chávez and Adolfo Uribe*  
*Discussion Paper 243, Ibero-America Institute for Economic Research (IAI), University of Göttingen, Germany.*

### **Diverging identification of the poor: A non-random process. Chile 1992–2017.**

2019

*Klasen, S. and Villalobos, C.\**  
*OPHI Working Paper 128, University of Oxford, UK.*

### **Income Inequality in Europe: What role does gender inequality play?**

2014

*Villalobos, Carlos\* with Stephan Klasen and Agnieszka Gehringer*  
*ENEGE Thematic Report, European Commission.*

### **The Impact of SENAI's Vocational Training Programme on Employment, Wages, and Mobility in Brazil: What lessons for Sub-Saharan Africa?**

2014

*Villalobos, Carlos\* with Stephan Klasen*  
*IRIBA Working Paper 5, University of Manchester, UK.*

### **Structural Change, Duality and the Disadvantaged rural population.**

2014

*Villalobos, Carlos\**  
*Mimeo.*

• Young Researcher Best Paper Award 2013 – International Society for Comparative Economic Studies

### **Internal Migration and its Impact on Reducing Inter-communal Disparities in Chile.**

2012

*Villalobos, Carlos\**  
*Discussion Paper 220, Ibero-America Institute for Economic Research (IAI), University of Göttingen, Germany.*

## **Sectorial shifts and Inequality. How to relate macroeconomic events to inequality changes.**

*Villalobos, Carlos\**

2012

*Discussion Paper 219, Ibero-America  
Institute for Economic Research (IAI),  
University of Göttingen, Germany.*

## **The Dynamics of Inequality Change in a Highly Dualistic Economy: Honduras, 1991–2007.**

*Villalobos, Carlos\* with Stephan  
Klasen and Thomas Otter  
UNU-WIDER Working Papers Series,  
2012/17.*

2012

## **Past Academic Research Projects**

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### **FONDEF Project: Maltrato Estructural del Adulto Mayor**

*Universidad de Talca (Implied)*

2016–2017

*Chile*

- Funding \$200,000 USD
- Co-Investigator: Responsible for the methodological proposal for the creation of the Multidimensional Index of Elder Abuse

### **Project: Rising Income Inequality in Europe: What role does gender inequality play?**

*University of Goettingen, for the  
European Network of Experts on  
Gender Equality (ENEGE) / European  
Commission  
European Union*

2014–2015

- Funding: €25,000
- Principal Investigator: Stephan Klasen
- Team: Agnieszka Gähringer; Carlos Villalobos

### **Project: Is Brazil's success a bright light for Africa?**

*University of Manchester, for the UK  
Government's Department for  
International Development (DFID)  
Manchester, UK*

2013–2016

- Funding: £1.2 million
- Project URL: [www.brazil4africa.org](http://www.brazil4africa.org)
- Co-investigator

### **Project: The New Policy Model, Inequality and Poverty in Latin America: Evidence from the Last Decade and Prospects for the Future**

*United Nations University World  
Institute for Development  
Economics Research (UNU-WIDER)  
Helsinki, Finland*

2012–2014

- Co-investigator

### **Project: Structure, Trends and Determinants of Welfare Distribution**

*University of Göttingen, for the  
German Research Foundation (DFG)  
Göttingen, Germany*

2012–2015

- Co-investigator

### **Project: Real consumption aggregate - Mongolia - HIES/LSMS 2002”**

*German Institute for Economic  
Research (DIW-BERLIN)  
Berlin, Germany*

2010

- Co-investigator

## Journal Referee Service

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Regularly serve as a peer reviewer for international scientific journals, including: *Energy Policy*, *Scientific Reports*, *Journal of Economic Inequality*, *Energy Research & Social Science*, *Review of Income and Wealth*, *Frontiers in Public Health*, *Energy Efficiency*, *Environmental Science and Pollution*, *Heliyon*, *Latin American Politics and Society*, *Energy Economics*, and *Frontiers Psychology*.

## Consultancy Projects

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### Consultant

2022

*Ministerio de Energía, Chile*  
*Mesa Técnica de Pobreza Energética.*

### Econometrics Consultant

2015

*USAID/Mercy Corps and ECI Gestión para el Desarrollo Humano*  
Project: "Final Evaluation PROCOMIDA project on food security and nutrition in Alto Verapaz, Guatemala."

## Consultancy Projects (continuation)

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### Econometrics Consultant

2015

*Inter-American Development Bank (IADB) and ECI Gestión para el Desarrollo Humano*  
Project: Proxy Means Testing for social programs in Barbados.

### Econometrics and Social Protection System Consultant

2015

*Ministry of Human Development, Social Transformation and Poverty Alleviation, Belize and ECI Gestión para el Desarrollo Humano*  
Consultancy on econometrics and social protection systems.

### Econometrics Consultant

2013

*Inter-American Development Bank (IADB) and ECI Gestión para el Desarrollo Humano*  
Project: Poverty mapping and targeting of social expenditure in the Bahamas.

### Consultant

2012

*The World Bank*  
Project: Study on the income inequality dynamics in Honduras 2007-2010.

### Consultant

2012

*UNICEF and ECI Gestión para el Desarrollo Humano*  
Project: Analyse the impact of projects funded under the Annual Investment Budget of the Kurdistan Regional Government on children

### Consultant

2009

*UNDP and ECI Gestión para el Desarrollo Humano*  
Project: Background Paper for RBLAC – Regional Human Development Report Latin America on Inequality Transmission.

# Teaching Experience

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GEORG-AUGUST UNIVERSITÄT GÖTTINGEN, GERMANY

## Development Economics III

2015

- Lecturer

*Master in International Economics Program*

*Faculty of Economic Science, University of Göttingen, Germany*

## Markets and Institutions in Sub-Saharan Africa

2015

- Lecturer

*Master in International Economics Program*

*Faculty of Economic Science, University of Göttingen, Germany*

## Contemporary Macroeconomic Policy Issues in Emerging Market Economies

2015

- Lecturer

*Master in International Economics Program*

*Faculty of Economic Science, University of Göttingen, Germany*

## Panel Data Econometrics

2015

- Lecturer

*Doctoral Program on Applied Statistics and Empirical Methods  
Faculty of Economic Science, University of Göttingen, Germany*

## Advanced Microeconomics

2014

- Lecturer

*Master in Development Economics Program*

*Faculty of Economic Science, University of Göttingen, Germany*

## Applied Macroeconomics

2014

- Lecturer

*Bachelor in Economics Program  
Faculty of Economic Science, University of Göttingen, Germany*

## Macro-Economics and Banking Crises

2014

- Lecturer

*Master in International Economics Program and Master in Development Economics Program  
Faculty of Economic Science, University of Göttingen, Germany*

## Money Banking and Finance

2014

- Lecturer

*Master in International Economics Program and Master in Development Economics Program  
Faculty of Economic Science, University of Göttingen, Germany*

## Microeconomics

2013

- Lecturer

*Bachelor in Economics Program  
Faculty of Economic Science, University of Göttingen, Germany*

## Teaching Experience

UNIVERSITÄT HEIDELBERG, GERMANY

### Microeconomic Theory

2012 – PRESENT

*Mannheimer Institut für Public Health,  
Sozial und Präventivmedizinische  
Fakultät Mannheim der Universität  
Heidelberg, Germany*

- Guest Lecturer

## Teaching Experience

UNIVERSIDAD DE TALCA, CHILE

### Advanced Microeconomics II

2018 – PRESENT

*Ph.D. Program in Economics  
Facultad de Economía y Negocios,  
Universidad de Talca, Campus Talca,  
Chile*

- Lecturer  
**Analysis of Microdata**

2018 – PRESENT

*Ph.D. Program in Economics  
Facultad de Economía y Negocios,  
Universidad de Talca, Campus Talca,  
Chile*

- Lecturer

### Economics

2016 – PRESENT

*Facultad de Economía y Negocios,  
Universidad de Talca, Campus Talca,  
Chile*

- Lecturer

### Industrial Organization

2016

*Facultad de Economía y Negocios,  
Universidad de Talca, Campus Santiago,  
Chile*

- Lecturer

### Finance I

2016

*Facultad de Economía y Negocios,  
Universidad de Talca, Campus Talca,  
Chile*

- Lecturer

### Microeconomics

2016

*Facultad de Economía y Negocios,  
Universidad de Talca, Campus Talca,  
Chile*

- Lecturer

### Macroeconomics

2016

*Facultad de Economía y Negocios,  
Universidad de Talca, Campus Santiago,  
Chile*

- Lecturer

## Completed Supervised Theses

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**Fernanda Pino**

2019

*“Pobreza Infantil Multidimensional en Chile. Propuesta de un indicador Multidimensional para Chile.”*  
Magister en Economía, Universidad de Talca, Chile

**Jonathan Muñoz**

2019

*“Análisis de la desigualdad en el contexto de la Pobreza Multidimensional.”*  
Magister en Economía, Universidad de Talca, Chile

**Leonardo González**

2019

*“Impacto de la dimensión salud dentro de la medición de pobreza multidimensional.”*  
Magister en Gestion de Sistemas de Salud, Universidad de Talca, Chile

**Patricio Inzulza**

2018

*“Medición y Análisis de la dinámica de pobreza multidimensional en Chile: 1990-2015.”*  
Magister en Economía, Universidad de Talca, Chile

**Anyela Palavecino**

2018

*“Dinámica del Índice de pobreza Multidimensional en adultos mayores entre 1990 y 2015.”*  
Magister en Economía, Universidad de Talca, Chile

**Ranim J Hannania**

2015/2016

*“Empirical Evidence of Moral Hazard Effect on Health Care Costs: A Systematic Review.”*  
MIPH, Universität Heidelberg, Germany

**Ahmed Yehia Khalifa**

2015/2016

*“Combining Qualitative and Quantitative Health System Analysis: The Case of Egypt.”*  
MIPH, Universität Heidelberg, Germany

## Conference Participation (excerpt)

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**Diverging identification of the Poor, Chile 1992-2017**

ENERO 2020

*Encuentro Anual Sociedad Chilena de Políticas Públicas*  
Universidad de Chile, Santiago, Chile

**Energy poverty measures and the identification of the energy poor: A comparison between the utilitarian and multidimensional approaches in Chile**

ENERO 2020

*Encuentro Anual Sociedad Chilena de Políticas Públicas*  
Universidad de Chile, Santiago, Chile

**Presentation of 'Diverging identification of the poor: A non-random process. Chile 1992-2017'**

NOVEMBER 2019

*LACEA-LAMES 2019 Annual Meeting*  
Puebla, Mexico

**Energy Poverty in Chile**

MAY 2020

*SETI 2019 (Duke University & Universidad de Talca)*  
Universidad de Talca, Chile

## **Internal migration and Multidimensional Poverty in Chile**

JUNIO 2019

*Conference on Interdisciplinary  
Poverty Research on Migration and  
Poverty*  
Center for Ethics and Poverty Research,  
Salzburg, Austria

## **Approaching a disaster capitalism index**

JUNIO 2019

*i-Rec 2019*  
University of Miami, USA

## **Presentation of 'Diverging identification of the poor: A non-random process. Chile 1992–2017'**

SEPTEMBER 2018

*WIDER Development Conference*  
Helsinki, Finland

## **Keynote Speaker**

OCTOBER 2015

*"IV Reunión Anual - II Encuentro  
Científico Interdisciplinario 2015"*  
Goethe-Universität Frankfurt am Main,  
Germany

## **Participant / Paper Presenter**

JULY 2015

*Sixth meeting of the Society for the  
Study of Economic Inequality  
(ECINEQ)*  
University of Luxembourg, Luxembourg

## **Participant / Paper Presenter**

JULY 2015

*ENCUENTROS 2015 ChileGlobal  
conference*  
Rotterdam, Netherlands

## **Participant / Paper Presenter**

MAY 2014

*IRIBA Conference*  
Rio de Janeiro, Brazil

## **Participant / Paper Presenter**

SEPTEMBER 2013

*IARIW-IBGE Conference on Income,  
Wealth and Well-being in Latin  
America*  
Rio de Janeiro, Brazil

## **Participant / Paper Presenter**

JULY 2013

*Fifth meeting of the Society for the  
Study of Economic Inequality  
(ECINEQ)*  
University of Bari, Italy

## **Participant / Paper Presenter**

JUNE 2013

*Arnoldshain Seminar XI: "Migration,  
Development, and Demographic  
Change – Problems, Consequences,  
Solutions"*  
Institute of Development Policy and  
Management at the University of  
Antwerp, Belgium

## **Participant / Paper Presenter**

JUNE 2013

*The 12th Nordic Conference in  
Development Economics*  
The Norwegian School of Economics -  
NHH, Bergen, Norway

## **Participant / Paper Presenter**

APRIL 2013

*Migration: Global Development,  
New Frontiers - Interdisciplinary  
conference on migration (NORFACE  
& CReAM)*  
University College London, United  
Kingdom

**Participant / Paper Presenter**

SEPTEMBER 2012

*The Poverty Reduction, Equity, and Growth Network's (PEGNet) conference 2012: "How to Make African Economic Lions: Tapping Africa's Growth and Poverty Reduction Potentials"*  
Dakar, Senegal

**Participant / Paper Presenter**

NOVEMBER 2011

*Encuentros 2011 conference*  
University of California Berkeley, USA

**Participant / Project Meeting**

SEPTEMBER 2011

*WIDER Research Project: "The New Policy Model, Inequality and Poverty in Latin America: Evidence from the Last Decade and Prospects for the Future" (Second meeting)*  
Buenos Aires, Argentina

**Participant / Project Meeting**

DECEMBER 2010

*WIDER Research Project: "The New Policy Model, Inequality and Poverty in Latin America: Evidence from the Last Decade and Prospects for the Future" (First meeting)*  
UN Secretariat Building, New York, USA

**Participant / Paper Presenter**

SEPTEMBER 2010

*The Poverty Reduction, Equity, and Growth Network's (PEGNet) conference*  
Development Bank of Southern Africa, Midrand, South Africa

**Participant / Paper Presenter**

AUGUST 2010

*Encuentros 2010 conference*  
Cambridge University, United Kingdom

**Participant / Paper Presenter**

FEBRUARY 2010

*Migration: A World in Motion. A Multinational Conference on Migration and Migration Policy (Co-Sponsored by APPAM)*  
University of Maastricht, Netherlands

**Participant / Paper Presenter**

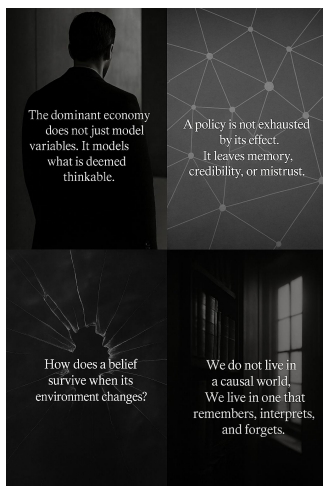
JULY 2009

*The Society for the Study of Economic Inequality (ECINEQ), Third Meeting*  
Buenos Aires, Argentina

**Participant / Paper Presenter**

NOVEMBER 2008

*Latin American and Caribbean Economic Association (LACEA), Annual Meeting*  
Rio de Janeiro, Brazil



The dominant economy does not just model variables. It models what is deemed thinkable.

A policy is not exhausted by its effect. It leaves memory, credibility, or mistrust.

How does a belief survive when its environment changes?

We do not live in a causal world. We live in one that remembers, interprets, and forgets.

## Economics is not causal. It is epistemic.

In Helsinki, during a UNU-WIDER seminar, I listened to Kaushik Basu present a simple but decisive idea: laws do not work because they are enforced—they work because people believe they should. Compliance is a matter of shared expectations, not force.

Later, I referenced this same view in an economic discussion. The reply was curt: “Economics is utilitarian.” It was not a methodological argument. It was an identity claim. Economics, in that room, was not about understanding—it was about preserving a particular way of seeing.

That moment clarified something essential: mainstream economics doesn’t just model relationships between variables. It models what is deemed thinkable. Anything that destabilizes its architecture is dismissed, even if it reflects reality more faithfully.

We do not live in a causal world. We live in a world that remembers, that interprets, that adapts—poorly or well—to the unexpected. In such a world, causality is useful, but insufficient. It is a local instrument inside a far deeper epistemic terrain.

A policy does not end with its effect. It leaves traces in institutional memory, in future credibility, in the justifications people adopt—or reject. An economic model is never neutral. It is a narrative that affirms certain forms of order and silences others.

So the question is not just what causes what. The real questions are: How does a belief survive when its environment shifts?

How does an institution listen after learning not to doubt?

How much dissonance must accumulate before a paradigm collapses?

This is the economy I care about—not one that clings to pristine equations, but one that dares to model the conflict between what we expect and what actually occurs. An economy that knows the real danger isn’t being wrong—it’s not knowing what to do when the data no longer confirm our convictions.