

The Evolving Equilibrium Spot in Competitive Economy

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Abstract. We study the following economical problem posed by John Hicks in 1965: Do actual values chase the moving equilibrium? Hicks thought that the picture of the problem has to be abandoned. By contrast, we deviate somewhat from Hicks' perspective. We introduce the concept of an evolving equilibrium spot for a moving equilibrium and show its existence. As a result, an evolving equilibrium spot is an evolutionary configuration of actual values chasing a moving equilibrium.