When agents make dynamic decisions that depend on the current and future states of the economy, they somehow need to form beliefs about the underlying data-generating process (DGP). In reality, probably few households, companies, or even central bank presidents would say that they know the true DGP of the economy with a high degree of confidence. Currently, this is exemplified by the many newspaper articles about how wages will develop in the post-covid era, and how and when long Central Bank balance sheets may translate into higher inflation. Interpretation and sense-making of available data play a prominent role. We work on a research program on how to model macroeconomies where agents are fundamentally uncertain about the true DGP. In the current paper, we take a first small step analyzing dynamic consumption savings choices when agents do not know the DGP of their income, and they do not even have a fixed specific idea about the class of DGP (say an AR2 process). Rather, agents engage in open “sense making”, they “interpret” the current situation and then try to make forward looking choices as smart as they can. We characterize the dynamics of the resulting consumption profiles for a range of simulations with different underlying DGPs; we compare them to the rational expectations benchmark.

**Dynamic Consumption Choices under Fundamental Uncertainty**

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