

ERRORS

- **Chapter 2**, pg. 28.

The matrix displayed at the bottom of the page should read:

T_{aa}^1	T_{ab}^1	T_{ac}^1	T_{bb}^1	T_{ba}^1	T_{bc}^1	T_{cc}^1	T_{ca}^1	T_{cb}^1
0	0	0	$-p_{ab}$	$-p_{ab}$	$-p_{ac}$	0	0	0
0	0	0	0	0	0	$-p_{ab}$	$-p_{aa}$	$-p_{ac}$
$-p_{ba}$	$-p_{bb}$	$-p_{bc}$	0	0	0	0	0	0
0	0	0	0	0	0	$-p_{bc}$	$-p_{ba}$	$-p_{bb}$
$-p_{ca}$	$-p_{cb}$	$-p_{cc}$	0	0	0	0	0	0
0	0	0	$-p_{cb}$	$-p_{ca}$	$-p_{cc}$	0	0	0
p_{aa}	p_{ab}	p_{ac}	0	0	0	0	0	0
0	0	0	p_{bb}	p_{ba}	p_{bc}	0	0	0
0	0	0	0	0	0	p_{cc}	p_{ca}	p_{cb}

- **Chapter 3**, pg. 46.

In example 14, the y_3^1 variable in the second displayed equation should be y_2^1 .

- **Chapter 4**, pg. 68.

In the proof of the marginal value theorem the equation

$$x = (1 - t\epsilon)x^0 + \epsilon x^*$$

should read

$$x = (1 - t^*\epsilon)x^0 + \epsilon x^*.$$

- **Chapter 5**.

1. Proof of Theorem 5.6

In the second paragraph of the proof

$$\max\{f^0(x) : x \in N_\epsilon(x^*) \cap G\}$$

should read

$$\max\{f^0(x) : x \in N_\epsilon(x^*) \cap G \cap F'\}.$$

2. Problem 5.11

β should be δ

3. Problem 5.12

The statement to be proved should read

$$g(x) \leq c \cdot x + t \leq f(x) \quad \forall x \in \mathfrak{R}^n.$$

• Chapter 6

1. Pg. 118

In the third displayed inequality, x_1 should be replaced by x^1 .

2. Pg. 129

In definition 6.11 the equation $\sum_{i \in A} x^i = \sum_{i \in A} w^i$ should be replaced by $\sum_{i \in A} x^i \leq \sum_{i \in A} w^i$

3. Lemma 6.12, pg. 130.

All appearances of $a_t z$ should be replaced by $a_t^{-1} z$.

4. Pg. 131.

The paragraph after equation (6.1) contains some typos and is opaque. Here is a clearer version.

We have two cases to consider. First suppose there is a good j such that $p_j > 0$ and $[0, \sum_{i \in A} (d_j^i(p) - w_j^i)]^+ = 0$. Substituting into (6.1) yields

$$p_j = \frac{p_j}{\sum_{k=1}^n (p_k + [0, \sum_{i \in A} (d_k^i(p) - w_k^i)]^+)}.$$

This last equation holds only if $\sum_{k=1}^n [0, \sum_{i \in A} (d_k^i(p) - w_k^i)]^+ = 0$, i.e. $[0, \sum_{i \in A} (d_k^i(p) - w_k^i)]^+ = 0$ for all goods k which gives us our equilibrium.

Now suppose for all j such that $p_j > 0$ we have $[0, \sum_{i \in A} (d_j^i(p) - w_j^i)]^+ > 0$. By Walras' law

$$0 = \sum_{k=1}^n p_k \sum_{i \in A} (d_k^i(p) - w_k^i) = \sum_{k=1}^n p_k \sum_{i \in A} [0, (d_k^i(p) - w_k^i)]^+ > 0,$$

a contradiction.

5. Theorem 6.16, pg. 135.

The letters 'H' and 'V' should be interchanged in the statement of the Theorem as well as in the second sentence of the proof.