

Errata — Advanced Macroeconomics, a Primer by Patrick Minford and David Peel (second impression)

- page 18, second para, equation should read  $\dot{p}_t^e - \dot{p}_{t-1}^e = k[\dot{p}_{t-1} - \dot{p}_{t-1}^e]$
- p 22, second line of box should read: Remembering that  $\Delta \ln x_t = \frac{\Delta x_t}{x_{t-1}}$
- p 27 last line to read:  $p_t + ap_{t-1} + bp_{t-2} = 0$
- p 92 second equation from bottom to read:  $\phi = \frac{E(\pi_0 \epsilon_t, p_{it})}{E(\pi_0 \epsilon_t + v_{it})^2} = \frac{\pi_0^2 \sigma_\epsilon^2}{\pi_0^2 \sigma_\epsilon^2 + \sigma_v^2}$
- p. 158 bottom line left hand side of equation, numerator to read:  $\alpha - \hat{a}$
- p. 239 equation (1), bottom of page, to read:  $Y_t = A_t L_t^\alpha K_t^{1-\alpha}$
- p. 240 equation (4) to read:  $r_t = (1 - \alpha) \frac{Y_t}{K_t}$ ; that is,  $k(r) = (\frac{r_t}{1-\alpha})^{-1}$
- p. 243 equation (10) to read:  $Y_t = (\exp \frac{\pi}{\alpha} t) Y_{t-1}^{\gamma/\alpha} L_t (\frac{r_t}{1-\alpha})^{-(\frac{1-\alpha}{\alpha})}$
- p. 290 equation (64) at bottom to read:  $c_0 = E_0 c_1 [\beta(1 + r_0)]^{\frac{-1}{1-\gamma(1-\rho)}} \dots$  (as before)
- p. 291 second line to read: where  $-\lambda_1 = \frac{\gamma\beta(1-L_1)^{(1-\gamma)(1-\rho)}}{c_1^{1-\gamma(1-\rho)}}$
- line after equation (68) to read: where  $\overline{K_0}$  = as before
- p. 302 equation (8) denominator term in  $\epsilon_t$  to read:  $1 + \alpha^2(\lambda - \beta\gamma_2)$
- p. 316 seventh line to read: It maximizes  $E_{t=0} \sum_{t=0}^{\infty} \beta^t u(c_t)$  subject to
- p. 325 equation (16) term in  $s'_{t-1}$  to read  $\left\{ \frac{\dots d_{t-1}^* (1-\pi)}{e_t} \right\}$   
 equation (17) to read  $y_t = (1 - l_t)^\pi d_t (s_t - [1 - \pi] s_t^*)$
- p. 326 equation (22) rhs numerator to read:  $\dots (1 - l_t)^{\pi-1} (s_t - [1 - \pi] s_t^*)$   
 equation (23) lhs to read  $\left\{ \frac{\dots d_t^* (1-\pi)}{p_t^* r_t^*} \right\} \frac{e_t}{e_{t+1}}$   
 equation (25) to read  $s_t + s_t^* = 1 = s_t^* + s_t'$
- p. 327 equation (28) lhs to read  $\dots d_{t-1} (1 - \pi) s_{t-1}'$   
 same equation rhs to read  $\dots - \frac{p_{t-1}^* \dots d_{t-1}^* (1-\pi) s_{t-1}'}{e_t}$