

List of typos, June 8

[Notes 2]

- P. 26. In the two first equations, the marginal product of labor should be a function of n , and not $1 - n$. Hence, the equations should rightfully read, respectively,

$$v_l(c_t, 1 - n_t - g(c_t, m_t)) = \beta V_k(a_{t+1}, k_t) f_n(k_t, n_t)$$

and

$$\frac{u_l}{u_c} = \frac{v_l}{v_c - v_l g_c} = f_n(k_t, n_t).$$

[Notes 3]

- P. 3. The sign in front of leisure in the utility function (fourth equation on the page), should, of course, be a plus. I.e., the equation should read:

$$\begin{aligned} & u(C_t^i, M_t^i/P_t^i, 1 - N_t^i) \\ = & \left[\frac{(a(C_t^i)^{1-b} + (1-a)(M_t^i/P_t^i)^{1-b})}{1-\Phi} \right]^{\frac{1-\Phi}{1-b}} + \frac{\Psi}{1-\eta} (1 - N_t^i)^{1-\eta}, \end{aligned}$$

[Notes 6]

- P. 7. The second equation — the discounted sum of per-period central bank utilities — is incorrectly stated. It should read

$$-\frac{1}{2} \mathbf{E}_t \sum_{i=0}^{\infty} \beta^i [\alpha x_{t+i}^2 + \pi_{t+i}^2], \quad 0 < \beta < 1$$