Errata
Analysis of Panel Data
2nd Edition

1. p. 39, eq. (3.3.20):

$$\frac{\partial \log L}{\partial \underset{\sim}{\beta}} = \frac{1}{\sigma_u^2}\left[\sum_{i=1}^{N}(\underset{\sim}{y}_i - \underset{\sim}{e}\mu - X_i\underset{\sim}{\beta})'QX_i + \frac{T\sigma_u^2}{\sigma_u^2 + T\sigma_\alpha^2}\sum_{i=1}^{N}(\bar{y}_i - \mu - \bar{\underset{\sim}{x}}_i'\underset{\sim}{\beta})\bar{\underset{\sim}{x}}_i'\right] = \underset{\sim}{0}.$$

2. p. 87, line 6: respectively, and ΔX_i is the $(T-1)\times K_1$ matrix of ...

3. p. 109, first line after eq. (4.7.27):
where $\underset{\sim}{r}_i = (\Delta\underset{\sim}{y}_i - \underset{\sim}{e}\delta)$,

4. p. 189, the first line after eq. (7.2.2): Then the expected value of y is the probability ... (take out the subscript i from y_i)

5. p. 189, eq. (7.2.6):

$$Pr(y=1 \mid \underset{\sim}{x}) = \int_{-\underset{\sim}{\beta}'\underset{\sim}{x}}^{\infty} \frac{\exp(\nu)}{(1+\exp(\nu))^2}d\nu = \frac{\exp(\underset{\sim}{\beta}'\underset{\sim}{x})}{1+\exp(\underset{\sim}{\beta}'\underset{\sim}{x})}.$$

6. p. 189, first line after eq. (7.2.6):

Let $F(\underset{\sim}{\beta}'\underset{\sim}{x}) = E(y \mid \underset{\sim}{x})$. (take out the subscript i from y_i)

7. p. 201, line 16: replace the "=" by " $\simeq$ ".

8. p. 212, line 6 to the end of this paragraph (1.7): ..., then the conditional probability changes according to $y_{i1} = 0$ or 1.

9. p. 229, line 1: in the limit. There could be multiple roots that satisfy (8.1.12) or (8.1.13). For instance, $\hat{\underset{\sim}{\beta}} = \underset{\sim}{0}$ is one such root. To ensure uniqueness, Powell (1986) proposes the following symmetrically trimmed least squares estimator...

10. p. 229, third line after eq. (8.1.15): The motivation for $S_N(\underset{\sim}{\beta})$ is that observations greater than $2\underset{\sim}{\beta}'\underset{\sim}{x}$ if $\underset{\sim}{\beta}'\underset{\sim}{x} > 0$ will have partial derivatives equal to $(\underset{\sim}{\beta}'\underset{\sim}{x})\underset{\sim}{x}$ and ...

11. p. 232, last line: ... by a weighted least squares (or instrumental variables) reression.

12. p. 250, line 26: $\ldots A_2 = \{(y^*_{i1}, y^*_{i2}) : y^*_{i1} \leq 0, y^*_{i2} > \Delta \underset{\sim}{x}'_i \underset{\sim}{\beta}\}$

13. p. 251, line 3, eq. (8.4.21): $\times(y_{i2} -$ max $(0, \Delta \underset{\sim}{x}'_i \underset{\sim}{\beta})) + 1\{(y_{i1}, y_{i2}) \in B_1\}(\Delta y_i - \Delta \underset{\sim}{x}'_i \underset{\sim}{\beta})$

14. p. 264, first line below eq. (8.6.12): when $\Gamma = \frac{\partial}{\partial \underset{\sim}{\theta}'} E[\underset{\sim}{m}(\underset{\sim}{\theta})]$,

15. p. 264, line 5 from the last paragraph: 8.6 and 8.7 approaches zero. ...