

(Corrections are listed in page number order)

- [p33] Equation in the fourth line of footnote 7 in Chapter 2 (p.33) should be:

$$p' D^i / L^i < p' D^w / L^w \quad \text{instead of} \quad p' D^i L^i < p' D^w L^w$$

- [p129] The second line of the third paragraph under section “Gains from Product Variety in Trade” (p.129) should be:

“, we can obtain an estimate...” instead of “, we can obtain as estimate...”

- [p159] The second integral in equation (6.6) in Chapter 6 (p.159) should be:

$$\int_{\varphi_a}^{\infty} (B_a \varphi^{\sigma-1} - f_d) g(\varphi) d\varphi \quad \text{instead of} \quad \int_{\varphi_a}^{\infty} (B_a \varphi_a^{\sigma-1} - f_d) g(\varphi) d\varphi$$

- [p161] Equation in the second line of the fourth paragraph under section “Trade Equilibrium” (p. 161) should be:

$$P_x(\varphi) = [\sigma / (\sigma - 1)](\tau / \varphi) \quad \text{instead of} \quad P_x(\varphi) = [\sigma / (\sigma - 1)](\tau / \sigma)$$

- [p164] The first integral inside the square bracket of equation (6.17) in Chapter 6 (p.164) should be:

$$M_d \int_{\varphi_d}^{\infty} p_d(\varphi)^{1-\sigma} \frac{g(\varphi)}{[1-G(\varphi_d)]} d\varphi \quad \text{instead of} \quad M_d \int_{\varphi_d}^{\infty} p(\varphi)^{1-\sigma} \frac{g(\varphi)}{[1-G(\varphi_d)]} d\varphi$$

- [p184] The second term in the first long equation under question 6.4 in Chapter 6 (p.184) should be:

$$M_d \int_{\varphi_d}^{\infty} \left[ \frac{y_d(\varphi)}{\varphi} + f_d \right] \frac{g(\varphi)}{[1-G(\varphi_d)]} d\varphi \quad \text{instead of} \quad M_d \int_{\varphi_d}^{\infty} \left[ \frac{y(\varphi)}{\varphi} + f_d \right] \frac{g(\varphi)}{[1-G(\varphi_d)]} d\varphi$$

The second long equation under the same question should be:

$$L = (M_e f_e + M_d f_d + M_x f_x) + \left(\frac{\sigma-1}{\sigma}\right) \left[ M_d \int_{\varphi_d}^{\infty} \frac{p(\varphi) y_d(\varphi) g(\varphi)}{[1-G(\varphi_d)]} d\varphi + M_x \int_{\varphi_x}^{\infty} \frac{p(\varphi) y_x(\varphi) g(\varphi)}{[1-G(\varphi_x)]} d\varphi \right]$$

$$= (M_e f_e + M_d f_d + M_x f_x) + \left(\frac{\sigma-1}{\sigma}\right) L$$

Instead of

$$L = (M_e f_e + Mf + M_x f_x) + \left(\frac{\sigma-1}{\sigma}\right) \left[ M_d \int_{\varphi_d}^{\infty} \frac{p(\varphi) y(\varphi) g(\varphi)}{[1-G(\varphi_d)]} d\varphi + M_x \int_{\varphi_x}^{\infty} \frac{p(\varphi) y_x(\varphi) g(\varphi)}{[1-G(\varphi_x)]} d\varphi \right]$$

$$= (M_e f_e + Mf + M_x f_x) + \left(\frac{\sigma-1}{\sigma}\right) L$$

- **[p190]** The very last inequality displayed in the un-numbered equation which is eight lines from the bottom in **p.190** should be:

$$p^a ' c^{ha} \leq w^a ' v^{ha} \quad \text{instead of} \quad p ' c^{ha} \leq w ' v^{ha}$$

- **[p191]** The large equation on the page (**p.191**) should be numbered as (7.4). The expression in the third line of this large equation should be:

$$(p^a ' y^a - w^a ' v^a) - (p ' y^a - w ' v^a) \quad \text{instead of} \quad (p^a ' y^a - w^a ' v^h) - (p ' y^a - w ' v^a)$$

- **[p193]** Reference appearing in the first line under section “COMMODITY TAXES AND SUBSIDIES” (**p.193**) should be **Dixit and Norman (1986)** (instead of Dixit (1986)), and the corresponding reference (**p. 441**) should be:

Dixit, Avinash, and Victor Norman. 1986 “Gains from Trade without Lump Sum Compensation.” *Journal of International Economics* 21:111-22.

- **[p197]** The fifth line of the second paragraph under section “PARTIAL REFORM OF TARIFFS” (**p.197**) should be:  $t_i < 0$  instead of  $t_i > 0$ .
- **[p241]** Equation (**8.35b**) in Chapter 8 (**p. 241**) should be:

$$U = \left( \int_0^1 X_n^{(\varepsilon-1)/\varepsilon} dn \right)^{\varepsilon/(\varepsilon-1)} \quad \text{instead of} \quad U = \left( \int_0^1 X_n^{(\varepsilon-1)/\omega} dn \right)^{\varepsilon/(\varepsilon-1)}$$

- **[p267]** Equation (9.12) in Chapter 9 (p.267) should be:

$$p_i = \mu_i [g_i(z_i) + T_i], i = 1, \dots, M \quad \text{instead of} \quad p_i = \mu_i g_i(z_i), i = 1, \dots, M$$

- **[p334]** The very last term in equation (11.5) in Chapter 11 (p.334) should be  $\mu_i \hat{K}_i$  instead of  $\mu_i K_i$ .

- **[p340]** Equation (11.17) in Chapter 11 (p.340) should be:

$$y = N^{\sigma/(\sigma-1)} x = N^{1/(\sigma-1)} X \quad \text{instead of} \quad y = N^{\sigma/(\sigma-1)} x = N^{1/(1-\sigma)} X$$