

## Acknowledgement/Erratum

J.S. Cramer and G. Ridder, Pooling states in the multinomial logit model', *Journal of Econometrics*, Vol. 47, No. 2/3 (1991) pp. 267–272.

It has been brought to our attention that our recently published test for pooling states in the multinomial logit model has a precedence in an 1983 article by M. Anne Hill, 'Female labour force participation in developing and developed countries – Consideration of the informal sector', *Review of Economics and Statistics*, Vol. 65, No. 3, pp. 459–468. She has indeed also noticed that the condition for pooling two states lies in the equality of their multinomial coefficient vectors, and tested this by a LR test. We regret that we have inadvertently overlooked Hill's contribution, and gladly acknowledge her priority on this point.

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C.W.J. Granger and H.F. Uhlig, 'Reasonable extreme-bounds analysis', *Journal of Econometrics*, Vol. 44, No. 1/2 (1990) pp. 159–170.

Since GLS is used in this paper, note that the 'GLS-corrected'  $R_{\text{GLS}}^2$ , given by

$$R_{\text{GLS}}^2 = 1 - \frac{e' \Omega^{-1} e}{(y - \bar{y})' \Omega^{-1} (y - \bar{y})},$$

was used throughout. One consequence is that the restrictions on the range of  $R^2$ , which yield the bounds given in Theorem 2, are restrictions on the range of  $R_{\text{GLS}}^2$  between the maximal and the minimal  $R_{\text{GLS}}^2$ . A correction to the formula of  $R^2$  in appendix 1 ('Proof of the theorem') needs to be made; the correct formula is

$$R_{\text{GLS}}^2 = 1 - \frac{e' \Omega^{-1} e + \gamma(W) \|v\|^2 \sigma^2}{(y - \bar{y})' \Omega^{-1} (y - \bar{y})}.$$

With this in mind, all theorems in the paper are correct. The theorems also remain correct if one uses the GLS-corrected mean  $\Omega^{1/2} \mathbf{1}' \Omega^{-1/2} y$  in place of  $\bar{y}$  in all the formulas above and in the paper.

Furthermore, there are three typos in the paper. There are two typos on page 164; the correct formulas there are

$$\|v\|^2 = (Cb - c)' A^{-1} (Cb - c) \quad \text{and} \quad \|u\|^2 = \text{var}(b_0) - \text{var}(\hat{b}_0).$$

The third typo is on page 170; the third block of formulas from the top reads correctly

$$\cos^2(\theta + \rho) \geq \max\{\cos(\theta + \rho); 0\}^2.$$

We are grateful to Yukiko Abe at Princeton University in helping us to find these errors.