Corrections and Updates for Osborne and Rubinstein’s
“Bargaining and Markets” (Academic Press, 1990)\textsuperscript{1}
2005/2/20

Corrections

<table>
<thead>
<tr>
<th>Page, Line</th>
<th>Correction</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Interchange “below” and “above” in the second line of the caption of Figure 1.1.</td>
</tr>
<tr>
<td>17</td>
<td>The argument in the first five lines of the page is correct, but not as clear as it might be. Replace from “If Player $i$ prefers $a$ to $a^<em>$ . . .” with: “Suppose that Player $i$ prefers $a$ to $a^</em>$ and $u_i(a^<em>)/u_i(a) &lt; u_j(a)/u_j(a^</em>)$. Then there exists $0 &lt; p &lt; 1$ such that $u_i(a^<em>)/u_i(a) &lt; p &lt; u_j(a)/u_j(a^</em>)$, so that $u_i(a^<em>) &lt; pu_i(a)$ and $u_j(a) &gt; pu_j(a^</em>)$, contradicting the definition of $a^<em>$. Hence $u_i(a^</em>)/u_i(a) ≥ u_j(a)/u_j(a^<em>)$, so that $u_1(a^</em>)u_2(a^*) ≥ u_1(a)u_2(a)$.”</td>
</tr>
<tr>
<td>18, −8</td>
<td>Replace “apples” with “applies”.</td>
</tr>
<tr>
<td>55, 12</td>
<td>Replace “Player 1” with “Player 2”.</td>
</tr>
<tr>
<td>60, −1</td>
<td>Replace “$\delta m_2$” with “$\delta^2 m_2$”.</td>
</tr>
<tr>
<td>62, 14–15</td>
<td>Replace “$\eta^*$” with “$\eta$”.</td>
</tr>
<tr>
<td>66, 15–18</td>
<td>Delete the sentence beginning “Binmore and Osborne (1990)”.</td>
</tr>
<tr>
<td>97</td>
<td>In the definition of consistency replace the sentence starting “If only one of the strategies . . .” with “If $p_H(h) \neq 0$ and only the strategy of Player $2_H$ rejects $x^{T+1}$ and counteroffers $x^{T+2}$ then $p_H(h') = 1$; if $p_H(h) \neq 1$ and only the strategy of Player $2_L$ rejects $x^{T+1}$ and counteroffers $x^{T+2}$ then $p_H(h') = 0$.” [The current text is inconsistent with NDOC.]</td>
</tr>
<tr>
<td>97, −2</td>
<td>Replace “him” with “her”.</td>
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<tr>
<td>99, 9</td>
<td>Insert “of” after “equilibrium”.</td>
</tr>
<tr>
<td>100</td>
<td>In state $L$ the acceptance criterion for Player $2_H$ should be $x_1 \leq c_H$, not $x_1 \leq c_L + c_H$. The same change should be made in Table 5.2 (page 103), Table 5.3 (page 110), and Table 5.4 (page 111).</td>
</tr>
</tbody>
</table>

\textsuperscript{1}We are grateful to Pierpaolo Battigalli, John Hillas, and Shmuel Zamir for pointing out errors. In particular, the first error on page 97 and the confusions on pp. 104–105 were pointed out by John Hillas.
<table>
<thead>
<tr>
<th>Page, Line</th>
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<tr>
<td>104, −16</td>
<td>Replace “T” with “T̄”.</td>
</tr>
<tr>
<td>104, −5, −1</td>
<td>Replace “from period $t + 1$ on” with “subsequently”. [After a deviant proposal there is an immediate switch to another state. Though formally correct, the description starting on line −13 may be misleading; if, for example, Player 1 is offered an agreement in which she obtains slightly less than one then there is a switch to a state in which she accepts that proposal.]</td>
</tr>
<tr>
<td>104, −3</td>
<td>Replace “agreement on $x^* = (\xi^<em>, 1 - \xi^</em>)$.” with “agreement on $x^* = (\xi^<em>, 1 - \xi^</em>)$ in the case that Player 1 is the first to make an offer.”</td>
</tr>
<tr>
<td>110, 111</td>
<td>Replace “$c_L + c_H$” in the last column and sixth row of Tables 5.3 and 5.4 with “$c_H$”.</td>
</tr>
<tr>
<td>117, 2</td>
<td>Replace “his reservation value” with “his opponent’s reservation value”.</td>
</tr>
<tr>
<td>141, −9</td>
<td>Omit first “a”.</td>
</tr>
<tr>
<td>169, 4</td>
<td>Replace “respond” with “propose”.</td>
</tr>
<tr>
<td>187, −7</td>
<td>Replace “9.3” with “9.2”.</td>
</tr>
</tbody>
</table>

### Updates

Admati and Perry (1988) is now


Anbarci (1989) is now


Ausubel and Deneckere (1988) is now


Ausubel and Deneckere (1989b) is now

Bikhchandani (1989) is now


Binmore, Osborne, and Rubinstein (forthcoming) is now


Carlsson, H. (1988) is now:


Casella and Feinstein (1988) is now:


Casella and Feinstein (forthcoming) is now:


Chatterjee, Dutta, Ray, and Sengupta (1987) is now


Chatterjee and Samuelson (1989) is now:


Chikte and Deshmukh (1985) is now:

Clemhout, S., and H. Y. Wan, Jr. (1987) is now:


Cramton (1987) is now:


Fernandez and Glazer (1989a) is now:


For Fernandez and Glazer (1989b), see:


Fernandez and Rosenthal (forthcoming) is now:


Fershtman (1986) is now:


Green (1989) is now:

Groes and Tranaes (1989) is now


Haller (1988) is now:


Haller and Holden (forthcoming) is now:


Harrington (1989) is now:


Howard (1988) is now:


McLennan and Sonnenschein (1989) is now:


Muthoo (1989b) is now:


Muthoo (1989c) is now:


Muthoo (1989d) is now:

Muthoo (1989e) is now:


Okada (1986) is now:


Okada (1988a) is now:


Perry and Reny (1989) is now:


Peters (1987) is now:


Ponsati-Obiols, C. (1989b) is now:


Rubinstein (1988) is now:


Samuelson (1989) is now:


Shaked (1987) is now:


Stahl (1987) is now:


van Damme, Selten, and Winter (1989) is now: