

Two-tier stochastic frontier analysis for the social sciences.

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ERRATA

Batch 1: up to 2025-05-22

p. 39 : Table 2.2

The Table is missing the Summary Statistics for Variable "Hard Drive Size > 85 MB". They are:

Summary statistics, using the observations 3082 - 4135
for the variable 'hard_above' (1054 valid observations)

Mean	641.072
Median	635.000
Minimum	129.000
Maximum	1115.000
Standard deviation	273.249

p. 95 Table 4.9.

In the 1st column of the Table ("Metric"), the horizontal line separating "M_1-contribution of recipient bargaining" from "Performance in military aid", should be eliminated. The two rows refer to different time periods of the same metric.

pp. 279, 282, 286, 290: character misplacement in gretl code.

PAGE	How it is printed	How it should be
279	<code>string errnames = , "sigmav, sigmaw, sigmau"</code>	<code>string errnames = ", sigmav, sigmaw, sigmau"</code>
282	<code>string errnames = , "sigmav, d1, d2, sigmau"</code>	<code>string errnames = ", sigmav, d1, d2, sigmau"</code>
286	<code>string errnames = , "sigmav, sigmaw, sigmau"</code>	<code>string errnames = ", sigmav, sigmaw, sigmau"</code>
290	<code>string errnames = , "sigmaw, sigmau, rho"</code>	<code>string errnames = ", sigmaw, sigmau, rho"</code>

p.343, footnote 4.

It reads

⁴ Tsionas (2012) recommended use of $h = 2\bar{e}/N$ where $\bar{e} = \max |e_i|$.

It should be $\bar{e} = \max |\hat{\varepsilon}_i|$, where $\hat{\varepsilon}_i$ is the residual from estimation. It is iterated, i.e. after every computation of the likelihood we get a new set of coefficients from which we can compute the residuals and find the highest in absolute value. So the value of h changes too.