Conservatism, growth, and return on investment

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The Publisher apologizes for the errors in this article. Proposition 1, Eq. 3 is missing two “-1”. The erroneous “+” should also be deleted. Please see corrected version below:

Proposition 1 *Conservative accounting implies:*

$$ROI_T(\vec{\lambda}) \begin{cases} \geq r \text{ if } \lambda_t \leq r \text{ for all } 1 \leq t \leq T-1 \\ \leq r \text{ if } \lambda_t \geq r \text{ for all } 1 \leq t \leq T-1. \end{cases} \quad (3)$$

Conversely, with liberal accounting, $ROI_T(\vec{\lambda}) \leq r$ if $\lambda_t \leq r$ for all $1 \leq t \leq T-1$, while $ROI_T(\vec{\lambda}) \geq r$ for $\lambda_t \geq r$, $1 \leq t \leq T-1$.

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