

# Contents

<b>Preface</b>	<b>vii</b>
<b>1 Dynamics of First Order Difference Equations</b>	<b>1</b>
1.1 Introduction . . . . .	1
1.2 Linear First Order Difference Equations . . . . .	2
1.2.1 Important Special Cases . . . . .	4
1.3 Equilibrium Points . . . . .	8
1.3.1 The Stair Step (Cobweb) Diagrams . . . . .	15
1.3.2 The Cobweb Theorem of Economics . . . . .	20
1.4 Criteria for Asymptotic Stability of Equilibrium Points . . . . .	24
1.5 Periodic Points and Cycles . . . . .	31
1.6 The Logistic Equation and Bifurcation . . . . .	38
1.6.1 Equilibrium Points (Fixed Points of $F\mu$ ) . . . . .	38
1.6.2 2 Cycles . . . . .	38
1.6.3 $2^2$ Cycles . . . . .	42
1.6.4 The Bifurcation Diagram . . . . .	42
<b>2 Linear Difference Equations of Higher Order</b>	<b>49</b>
2.1 Difference Calculus . . . . .	49
2.1.1 The Power Shift . . . . .	51
2.1.2 Factorial Polynomials . . . . .	52
2.1.3 The Antidifference Operator . . . . .	53
2.2 General Theory of Linear Difference Equations . . . . .	56
2.3 Linear Homogeneous Equations with Constant Coefficients . . . . .	67

2.4	Linear Nonhomogeneous Equations: Method of Undetermined Coefficients . . . . .	75
2.4.1	The Method of Variation of Constants (Parameters) . . . . .	81
2.5	Limiting Behavior of Solutions . . . . .	83
2.6	Nonlinear Equations Transformable to Linear Equations . . . . .	91
2.7	Applications . . . . .	97
2.7.1	Propagation of Annual Plants [1] . . . . .	97
2.7.2	Gambler's Ruin . . . . .	100
2.7.3	National Income [2, 3] . . . . .	101
2.7.4	The Transmission of Information [4] . . . . .	103
<b>3</b>	<b>Systems of Difference Equations</b>	<b>113</b>
3.1	Autonomous (Time-Invariant) Systems . . . . .	113
3.1.1	The Discrete Analogue of the Putzer Algorithm . . . . .	114
3.1.2	The Development of the Algorithm for $A^n$ . . . . .	115
3.2	The Basic Theory . . . . .	120
3.3	The Jordan Form: Autonomous (Time-Invariant) Systems Revisited	129
3.4	Linear Periodic Systems . . . . .	144
3.5	Applications . . . . .	149
3.5.1	Markov Chains . . . . .	149
3.5.2	Regular Markov Chains . . . . .	151
3.5.3	Absorbing Markov Chains . . . . .	153
3.5.4	A Trade Model [4] . . . . .	155
3.5.5	The Heat Equation . . . . .	157
<b>4</b>	<b>Stability Theory</b>	<b>163</b>
4.1	Preliminaries . . . . .	163
4.2	Stability of Linear Systems . . . . .	172
4.3	Scalar Equations . . . . .	180
4.4	Phase Space Analysis . . . . .	185
4.5	Stability by Linear Approximation . . . . .	196
4.6	Liapunov's Direct or Second Method . . . . .	204
<b>5</b>	<b>The Z-Transform Method</b>	<b>221</b>
5.1	Definitions and Examples . . . . .	221
5.1.1	Properties of the Z Transform . . . . .	225
5.2	The Inverse Z Transform and Solutions of Difference Equations	230
5.2.1	The Power Series Method . . . . .	230
5.2.2	The Partial Fraction Method . . . . .	231
5.2.3	The Inversion Integral Method <sup>1</sup> . . . . .	234
5.3	Volterra Difference Equations of Convolution Type: The Scalar Case	239
5.4	Explicit Criteria for Stability of Volterra Equations . . . . .	243
5.5	Volterra Systems . . . . .	247
5.6	A Variation of Constants Formula . . . . .	250
5.7	The Z Transform Versus Laplace Transform . . . . .	254

<b>6</b>	<b>Control Theory</b>	<b>259</b>
6.1	Introduction . . . . .	259
6.1.1	Discrete Equivalents for Continuous Systems . . . . .	261
6.2	Controllability . . . . .	262
6.2.1	Controllability Canonical Forms . . . . .	268
6.3	Observability . . . . .	274
6.3.1	Observability Canonical Forms . . . . .	281
6.4	Stabilization by State Feedback (Design via Pole Placement) . . . . .	284
6.4.1	Stabilization of Nonlinear Systems by Feedback . . . . .	291
6.5	Observers . . . . .	294
6.5.1	Eigenvalue Separation Theorem . . . . .	295
<b>7</b>	<b>Asymptotic Behavior of Difference Equations</b>	<b>303</b>
7.1	Tools of Approximation . . . . .	303
7.2	Poincaré's Theorem . . . . .	309
7.3	Second Order Difference Equations . . . . .	318
7.4	Asymptotically Diagonal Systems . . . . .	326
7.5	High Order Difference Equations . . . . .	335
7.6	Nonlinear Difference Equations . . . . .	343
<b>8</b>	<b>Oscillation Theory</b>	<b>351</b>
8.1	Three-Term Difference Equations . . . . .	351
8.2	Nonlinear Difference Equations . . . . .	357
8.3	Self-Adjoint Second Order Equations . . . . .	361
	<b>Answers to Selected Problems</b>	<b>371</b>
	<b>Index</b>	<b>383</b>