

ON THE STABILITY OF PROCESSES DEFINED BY STOCHASTIC
DIFFERENCE-DIFFERENTIAL EQUATIONS*

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1. INTRODUCTION.

In this paper we extend previous work (e.g. Kushner [1], [2],[3]) on the stability of strong Markov processes with values in a finite dimensional space, to processes defined by difference differential Itô equations of the type (1-1). The extension is analogous to the extension of the Liapunov stability theorems to theorems on the stability of the solutions of ordinary difference-differential equations, as, for example, presented in Hale [4].

Let C be the space of continuous functions on the real interval $[-r,0]$, $r > 0$, and let $x(t)$ be a vector valued stochastic process. Define the process x_t , with values in C , by $x_t(\theta) = x(t+\theta)$, $\theta \in [-r,0]$. Let $|x(t)|^2 = \sum x_i^2(t)$ and $\|x_t\| = \sup_{\theta} \|x(t+\theta)\|$, $\theta \in [-r,0]$. Suppose $x(t)$ satisfies the vector stochastic difference-differential equation

$$\begin{aligned} dx(t) &= f(x_t)dt + g(x_t)dz(t) \\ (1-1) \quad x(t) &= x(0) + \int_0^t f(x_s)ds + \int_0^t g(x_s)dz(s), \end{aligned}$$

where x_0 , f and g satisfy (A1)-(A3) or (A1),(A2) and (A4) of

Section 2, and $z(s)$ is a vector valued normalized Wiener process with independent components. Equations of the type (1-1) have been studied by Itô and Nisio [5] and Fleming and Nisio [6]. Their result, concerning existence, is stated in Lemma 2.1.

We are concerned with criteria, of the stochastic Liapunov function type, which assure that the solution paths of (1-1) have certain 'stability' properties; e.g., for some set R , we may want to prove that $x(t) \rightarrow R$ w.p.l., or (with initial condition $x_0 = x$) obtain an estimate of $P_x\{\sup_{\infty > t \geq 0} |x(t)| \geq \epsilon\}$, or prove that $P_x\{\sup_{\infty > t \geq 0} |x(t)| \geq \epsilon > 0\} \rightarrow 0$ as $\|x\| \rightarrow 0$, or estimate $P_x\{\sup_{\infty > t \geq 0} V(x_t) \geq \epsilon\}$ for a suitable real valued function V . Some definitions concerning stochastic stability are given in [1]-[3]. Here, in lieu of stating definitions, we merely concern ourselves with the properties the definitions imply, and establish criteria for properties of the type just mentioned. Results concerning first passage times and moment estimates, as well as applications to control are also available, although our attention here is confined to 'asymptotic' results. In addition to the intrinsic interest in the problem attacked, an important motivation for the work is to provide a foundation for the stabilization and control of processes, defined by stochastic differential (Itô) equations, with controls depending on delayed arguments. Such delays are often an unavoidable part of the control problem. Also, for an example of a deterministic system which cannot be stabilized by

a control depending on the state, but which can be stabilized by a control depending on delayed values of the state, see Krasovskii [7].

In Section 2 we derive some useful estimates concerning the probabilistic behavior of the solution of (1-1). These are used subsequently to establish stochastic continuity, the strong Markov character of the x_t process, and some needed characterizations of the weak infinitesimal operator of the x_t process. Sections 3 and 4 establish the strong Markov nature of x_t , and corresponding stopped processes, respectively. Section 5 gives some results on the weak infinitesimal operator. In Section 6, these results are used to prove some stability theorems, and examples appear in Section 7. The stability results depend on stochastic continuity, a formula of Dynkin ([8], Theorems 5 and 6 and Corollary) and super-martingale theorems. Unfortunately, in order to make explicit the first property and to apply the latter results, much of the analysis in Sections 2-5 is needed. As in the deterministic case (Hale [4]), the natural process to deal with seems to be x_t (rather than $x(t)$), since, then, much of the theory of Markov processes can be applied.

2. PROPERTIES OF THE SOLUTION OF EQUATIONS (1-1).

Let f_i and g_{ij} be the components of the vector and matrix valued functions f and g , respectively, and define the vector and matrix norms as $|f|^2 = \sum_i f_i^2$, $|g|^2 = \sum_{i,j} g_{ij}^2$, respectively. Throughout, K and K_i are positive real numbers, whose values may change from theorem to theorem.

- A1. $f_i(\cdot)$ and $g_{ij}(\cdot)$ are continuous real valued functions on C .
- A2. In the interval $[-r, 0]$, $x(t)$, is continuous w.p.l. and independent of $z(s) - z(0)$, $s \geq 0$, and $E|x(t)|^4 < \infty$.
- A3. There is a constant $M < \infty$ and a bounded measure μ on $[-r, 0]$ so that, for φ and $\psi \in C$,

$$(2-1) \quad |f(\varphi) - f(\psi)| + |g(\varphi) - g(\psi)| \leq \int_{-r}^0 |\varphi(\theta) - \psi(\theta)| d\mu(\theta)$$

$$|f(0)| + |g(0)| \leq M$$

Note that (A3) implies (A3').

- A3'. There is a constant $M < \infty$ and a bounded measure (also denoted by μ) on $[-r, 0]$ so that $|f(0)| + |g(0)| \leq M$ and

$$(2-2) \quad |f(\varphi) - f(\psi)|^2 + |g(\varphi) - g(\psi)|^2 \leq \int_{-r}^0 |\varphi(\theta) - \psi(\theta)|^2 d\mu(\theta) .$$

Eventually (A3) (or (A3')) will be replaced by the local condition (A4) (or stronger condition (A4')).

(A4)((A4')) For each positive real number ρ , there is a bounded measure μ_ρ on $[-r, 0]$ so that, for $\|\psi\| \leq \rho$ and $\|\phi\| \leq \rho$, (2-1)((2-2)) is valid with μ_ρ replacing μ . Also, $|f(0)| + |g(0)| \leq M < \infty$.

LEMMA (2-1): (See Itô and Nisio [5], Section 5, or Fleming and Nisio [6], for proof.) Suppose (A1) to (A3). Then there is a continuous solution to (1-1) w.p.l. with $E|x(t)|^4 \leq \gamma e^{\gamma t}$ for some $\gamma < \infty$. $x(s)$ is independent of the collection $z(t) - z(s)$, for all $t \geq s \geq 0$.

LEMMA (2-2): Assume (A1) to (A3). For initial condition $x = x_0$, the stochastic integral

$$w_i(t) = \int_0^t \sum_j g_{ij}(x_s) dz_j(s),$$

is a martingale and

$$E \max_{T \geq t \geq 0} |w_i(t)|^\alpha \leq \left(\frac{\alpha}{\alpha-1}\right)^\alpha E |w_i(T)|^\alpha$$

(2-3)

$$E \max_{T \geq t \geq 0} |w'(t)w(t)| \leq 4Ew'(T)w(T) = 4 \int_0^T E |g(x_t)|^2 dt.$$

PROOF. By Lemma 2-1 and (A3), the integral on the right side of (2-3) exists and is finite. Then, since $x(t)$ and x_t are non-anticipative, the $w_i(t)$ are continuous martingales (Doob [9], IX, Theorem 5.2) (2-3) is the continuous parameter version of (Doob [9], VII, Theorem 3.4).

THEOREM 2-1; Assume (A1) and (A3). Let $x(t)$ and $y(t)$ be solutions to (1-1) corresponding to initial condition $x_0 = x$ and $y_0 = y$, resp., where x and y satisfy (A2). Then

$$(2-4) \quad E \max_{T \geq t \geq 0} |x(t) - y(t)|^2 \leq K \{ E |x(0) - y(0)|^2 + \int_{-r}^0 E |x(\theta) - y(\theta)|^2 d\mu(\theta) \},$$

where K depends only on T , and the μ and M of (A3), and is bounded for bounded T . The solution of (1-1) is unique in the sense that, if $x = x_0$ satisfies (A2), then any two solutions with bounded second moments must coincide w.p.l.

REMARK. The right side of (2-4) depends only on the initial data.

PROOF. (2-4) implies the uniqueness. From

$$x(t) - y(t) = x(0) - y(0) + \int_0^t (f(x_s) - f(y_s)) ds + \int_0^t (g(x_s) - g(y_s)) dz(s),$$

and (2-3) and the bound $\max_{t \leq T} \left| \int_0^t k(s) ds \right|^2 \leq T \int_0^T k^2(s) ds$, we obtain

$$E \max_{T \geq t \geq 0} |x(t) - y(t)|^2 \leq K_1 E |x(0) - y(0)|^2 + K_1 T E \int_0^T |f(x_s) - f(y_s)|^2 ds \\ + K_1 E \int_0^T |g(x_s) - g(y_s)|^2 ds .$$

Now (A3) gives

$$(2-5) \quad E \max_{T \geq t \geq 0} |x(t) - y(t)|^2 \leq K_2 E |x(0) - y(0)|^2 \\ + K_2 \int_0^T ds \int_{-r}^0 E |x(s+\theta) - y(s+\theta)|^2 d\mu(\theta) .$$

By separating out the contribution of the initial condition $x-y$,

(2-5) can be written as

$$(2-6) \quad E \max_{T \geq t \geq 0} |x(t) - y(t)|^2 \leq \Delta_I + \\ + K_2 \int_0^T ds \int_{m(-r, -s)}^0 E |x(s+\theta) - y(s+\theta)|^2 d\mu(\theta),$$

where $m(-r, -s) = \max(-r, -s) = -\min(r, s)$ (both r and s are non-negative) and

$$(2-7) \quad \Delta_I = K_2 E |x(0) - y(0)|^2 + K_2 \int_0^r ds \int_{-r}^{m(-r, -s)} \Delta_{s+\theta} d\mu(\theta),$$

$$\Delta_s = E |x(s) - y(s)|^2 .$$

To evaluate the right side of (2-6), we first evaluate Δ_t which, by (2-6), satisfies, for $t \leq T$,

$$(2-8) \quad \Delta_t \leq \Delta_I + K_2 \int_0^t ds \int_{m(-r, -s)}^0 \Delta_{s+\theta} d\mu(\theta) .$$

Define $U =$ variation of μ and $B = \max_{T \geq t \geq 0} \Delta_t$ (which is finite, by Lemma 2-1), and

$$Q_n(t) \equiv \Delta_I (1 + UK_2 t + \dots + \frac{U^n K_2^n t^n}{n!}) + \frac{U^n K_2^n t^n B}{n!} .$$

By (2-8), $\Delta_t \leq Q_1(t)$. By induction, it is easy to show that $\Delta_t \leq Q_n(t)$. Thus, since $B < \infty$,

$$(2-9) \quad \Delta_t \leq \Delta_I e^{UK_2 t} .$$

After substituting (2-9) into (2-6), it is easy to see that (2-4) holds for some finite K independent of x and y . Q.E.D.

THEOREM 2-2: Assume (A1) to (A3). Then

$$(2-10) \quad E \max_{T \geq t \geq 0} |x(t) - x(0)|^2 \leq KTE \{ 1 + \int_{-r}^0 (|x(\theta)|^2 + |x(\theta) - x(0)|^2) d\mu(\theta) \},$$

where K depends only on T and μ and M , and is bounded for bounded T . Also, with $x_0 \in C$ fixed,

$$(2-11) \quad |E(x(h) - x(0)) - hf(x_0)| = o(h)$$

$$(2-12) \quad |E(x(h) - x(0))(x(h) - x(0))' - hg(x_0)g'(x_0)| = o(h) .$$

PROOF. By (A3'),

$$\begin{aligned}
 |f(x_s)|^2 + |g(x_s)|^2 &\leq 2|f(x_s) - f(x_0)|^2 + 2|g(x_s) - g(x_0)|^2 \\
 &\quad + 2|f(x_0)|^2 + 2|g(x_0)|^2 \\
 &\leq K_1 \left[1 + \int_{-r}^0 |x(s+\theta) - x(\theta)|^2 d\mu(\theta) + \int_{-r}^0 |x(\theta)|^2 d\mu(\theta) \right] \\
 &\leq K_2 \left[1 + \int_{-r}^0 |x(s+\theta) - x(0)|^2 d\mu(\theta) + \int_{-r}^0 (|x(\theta) - x(0)|^2 + |x(\theta)|^2) d\mu(\theta) \right].
 \end{aligned}$$

Thus, from

$$x(t) - x(0) = \int_0^t f(x_s) ds + \int_0^t g(x_s) dz(s)$$

and Lemma 2-2, we get

$$\begin{aligned}
 E \max_{T \geq t \geq 0} |x(t) - x(0)|^2 &\leq K_3 E \max_{T \geq t \geq 0} \left| \int_0^t f(x_s) ds \right|^2 + K_3 \int_0^T E |g(x_s)|^2 ds \\
 &\leq K_3 T \int_0^T E |f(x_s)|^2 ds + K_3 \int_0^T E |g(x_s)|^2 ds \\
 &\leq K_4 \left[T + T^2 + \int_0^T ds \int_{-r}^0 \{ E |x(s+\theta) - x(0)|^2 + |x(\theta) - x(0)|^2 + |x(\theta)|^2 \} d\mu(\theta) \right].
 \end{aligned}$$

Separating out the contribution of the initial condition gives

$$\begin{aligned}
& E \max_{T \geq t \geq 0} |x(t) - x(0)|^2 \\
& \leq K_4 [T + T^2 + T \int_{-r}^0 E(|x(\theta)|^2 + |x(\theta) - x(0)|^2) d\mu(\theta) + \int_0^T ds \int_{-r}^{m(-r, -s)} E|x(s+\theta) - x(0)|^2 d\mu(\theta) \\
(2-13) \quad & + \int_0^T ds \int_{m(-r, -s)}^0 E|x(s+\theta) - x(0)|^2 d\mu(\theta)] \\
& \leq K_6 T \delta_I + K_6 \int_0^T ds \int_{m(-r, -s)}^0 \delta_{s+\theta} d\mu(\theta)
\end{aligned}$$

where $\delta_s = E|x(s) - x(0)|^2$ and

$$\delta_I = (1 + \int_{-r}^0 E(|x(\theta)|^2 + |x(\theta) - x(0)|^2) d\mu(\theta)) .$$

Now, proceeding as in Theorem 2-1, we have ($t \leq T$)

$$\delta_t \leq \delta_I K_6 t + K_6 \int_0^t ds \int_{m(-r, -s)}^0 \delta_{s+\theta} d\mu(\theta)$$

and

$$(2-14) \quad \delta_t \leq \delta_I K_6 t e^{K_6 U t} .$$

Substituting (2-14) into (2-13) yields (2-10).

To prove (2-11), fix $x_0 \in C$. Then (2-10), the continuity of $x(t)$ for $t \in [-r, 0]$, and (A3') imply $E \max_{h \geq t \geq 0} \|x_h - x_0\|^2 \rightarrow 0$ and $\max_{h \geq t \geq 0} E|f(x_s) - f(x_0)|^2 \rightarrow 0$ as $h \rightarrow 0$. This result, with the evaluation

$$\begin{aligned} |Ex(h)-x(0)-hf(x_0)|^2 &= |E \int_0^h (f(x_s)-f(x_0))ds|^2 \\ &\leq h \int_0^h E|f(x_s)-f(x_0)|^2 ds \leq h^2 \max_{h \geq t \geq 0} E|f(x_s)-f(x_0)|^2, \end{aligned}$$

proves (2-11). Equation (2-12) is proved in a similar way.

3. MARKOV PROPERTIES OF THE PROCESS x_t .

Let \mathcal{L} be the collection of open sets in C (with topology determined by the norm $\|x\| = \sup |x(\theta)|$, $\theta \in [-r, 0]$), and \mathfrak{B} the Borel field over \mathcal{L} . The triple $\{C, \mathcal{L}, \mathfrak{B}\}$ is a topological state space (Dynkin [8], Appendix). Let x , the initial condition for (1-1) satisfy (A2). We suppose that all probability measure spaces introduced in the sequel are complete with respect to whatever measures are imposed on them. Let Ω denote the probability sample space, and ω the generic element of Ω . Define \tilde{M}_t^x and \tilde{N}_t^x as the least σ -fields on Ω over which $x(s)$, $-r \leq s \leq t$ and $x(s)$, $t-r \leq s \leq t$, are measurable, resp, for fixed $x_0 = x \in C$. Let P_x be the probability measure on $\tilde{M}^x = \bigcup_{t \geq 0} \tilde{M}_t^x$. Consider the collection of ω sets S defined by, for some $y \in C$, some $\epsilon > 0$, and any $0 \leq s \leq t$,

$$S = \{\omega : \|x_s - y\| < \epsilon\} = \{\omega : \sup_{-r \leq \theta \leq 0} |x(s+\theta) - y(\theta)| < \epsilon\}.$$

Such S are in \tilde{M}_t^x and, in fact, for any $\Gamma \in \mathfrak{B}$, the set $\{\omega : x_s \in \Gamma\}$, $s \leq t$, is contained in the least sub σ -field of \tilde{M}_t^x containing all such S (for all $\epsilon > 0$, $y \in C$). Denote this sub σ -field by M_t^x . Since $x(t)$, $t \geq -r$, continuous w.p.1., so is x_t , $t \geq 0$, (in the topology induced by the norm $\|x\|$). Thus we have

LEMMA 3-1: Suppose (A1) to (A3) and fix $x_0 = x \in C$. Each x_s ,

$0 \leq s \leq t$, is a random variable on $\{\Omega, M_t^X, P_X\}$ to
 $\{C, \mathcal{L}, \mathfrak{B}\}$, and x_t is continuous w.p.l. x_t is measurable
on $\{\Omega, N_t^X, P_X\}$, where $N_t^X = M_t^X \cap \tilde{N}_t^X$. For any function
 q whose expectation exists we have (by virtue of unique-
 ness--Theorem 2-1) w.p.l.

$$(3-1) \quad E\{q(x_{t+s}) | M_t^X\} = E\{q(x_{t+s}) | N_t^X\}, \quad s \geq 0.$$

In particular, (2-4) can be written as (w.p.l.)

$$(3-2) \quad E\{ \max_{\beta \geq t \geq \alpha} |x(t) - y(t)|^2 | M_t^X\} \leq$$

$$K\{ |x(\alpha) - y(\alpha)|^2 + \int_{-\tau}^0 |x(\alpha+\theta) - y(\alpha+\theta)|^2 d\mu(\theta) \}$$

and similarly for (2-10), (2-11) and (2-12); e.g., (2-11)
can be extended to (where $o(h)/h \rightarrow 0$ w.p.l. as $h \rightarrow 0$)

$$(3-3) \quad |E(x(t+h) | M_t^X) - x(t) - hf(x_t)| = o(h).$$

THEOREM 3-1: Assume (A1) to (A3) and let $x_0 = x \in C$. Then x_t
is a continuous strong Markov process on the topological
state space $\{C, \mathcal{L}, \mathfrak{B}\}$ with killing time $\xi(\omega) = \infty$ w.p.l.

PROOF. The last statement merely says that the solution paths are
 defined for all $t < \infty$ w.p.l. To prove the Markov property we check

the conditions of Dynkin [8], p. 77-80. For each fixed initial condition $x \in C$, the process $x(t)$ is defined by Lemma 2-1, and x_t by Lemma 3-1.

To prove the Markov property, we have only to show that (i): the function p defined by $p(t, x, \Gamma) = P_x\{x_t \in \Gamma\}$, for arbitrary $\Gamma \in \mathfrak{B}$, is \mathfrak{B} measurable and (ii): $P_x\{x_{t+h} \in \Gamma | M_t^x\} = p(h, x_t, \Gamma)$ w.p.l. (i) is true, since by Theorem 2-1, $p(t, x, \Gamma)$ is continuous on C . The 'Markov' property (ii) is also true, by Theorem 2-1 and Lemma 3-1, since the paths $x(s)$, $s \geq t$, (or x_s , $s \geq t$) of (1-1) are uniquely determined by the initial condition x_t w.p.l.

To prove that x_t is a strong Markov process, it suffices to prove that (Dynkin [8], Theorem 3.10) if $\alpha(x)$ is bounded and continuous on C , then $E_x \alpha(x_t) = \beta(x)$ is continuous in x . (E_x is the expectation operator corresponding to P_x .) Let x_t, y_t^n correspond to fixed initial conditions x, y^n . Then $\|x_t - y_t^n\| \rightarrow 0$ w.p.l. $t \geq 0$, as $\|x - y^n\| \rightarrow 0$ (Theorem 2-1). Then, the ω function α_n defined by $|\alpha(x_t) - \alpha(y_t^n)| \equiv \alpha_n(\omega)$ goes to zero as $n \rightarrow \infty$. Since $\alpha_n(\omega)$ is bounded, we have $E \alpha_n \rightarrow 0$ which implies that $\beta(x)$ is continuous in x . Q.E.D.

4. STOPPED PROCESSES (and (A4) replacing (A3))

Let R be some bounded open set in C and $\tau = \inf\{t: x_t \notin Q\}$. If $x_t \in Q$, all $0 \leq t < \infty$, set $\tau = \infty$. τ is a Markov time (Dynkin [8], Theorem 10.2); i.e., $\{\omega: \tau \leq t\} \in M_t^X$.

Define the stopped process \tilde{x}_t

$$\begin{aligned}\tilde{x}_t &= x_t, & t \leq \tau \\ \tilde{x}_t &= x_\tau, & t > \tau.\end{aligned}$$

\tilde{x}_t is also a strong Markov process (under (A1)-(A3)) with infinite escape time, hence, the paths of \tilde{x}_t do not depend (w.p.l.) on the values of f and g (of (1-1)) outside by R .

Now, suppose that (A3) is replaced by (A4). The solution to (1-1) is defined as follows. Let $R_n = \{x: \|x\| < n\}$. Define functions f^n, g^n equal to f, g in R_n and satisfying (A1) and (A3) for $\mu = \mu_n$. Define $x^n(t)$ (or x_t^n) as the solution to (1-1) corresponding to f^n, g^n . Let $\tau_n = \inf\{t: x_t^n \notin R_n\} = \inf\{t: |x^n(t)| \geq n\}$. If $x_0 \in R_n$, then $\tau_n > 0$ w.p.l. and x_t^n is a strong Markov process for each n ; hence, w.p.l., $x_t^n = x_t^m$ for $m > n$ and $t \leq \tau_n$. Let $\xi = \lim \tau_n$. The solution to (1-1), under (A4), is defined as the process x_t which equals x_t^n up to τ_n , for all n . If $\xi < \infty$ with a probability δ , the escape (or killing time) is finite w.p. δ . x_t (with the appropriate probability space) is a strong Markov process with killing time ξ .

For most of the sequel, we will be concerned only with the paths x_t only up to a time $\tau = \inf\{t: x_t \notin Q\}$ for some bounded open set Q , and only the properties of f, g in Q will be important. Since, in applications, (A4) occurs frequently, we suppose that (A4) holds (in lieu of (A3)) and use that above interpretation of the solution of (1-1).

5. THE DOMAIN OF THE WEAK INFINITESIMAL OPERATOR.

A real valued function F on C is said to be in the domain of \tilde{A} , the weak infinitesimal operator, if the limits

$$\lim_{t \rightarrow 0} \frac{E_x F(x_t) - F(x)}{t} = q(x)$$

$$\lim_{t \rightarrow 0} E_x q(x_t) = q(x)$$

exist pointwise in C . Then, we write $q(x) = \tilde{A}F(x)$. Write \tilde{A}_R for the weak infinitesimal operator of $\tilde{x}_t = x_t$ stopped at $\tau = \inf \{t: x_t \notin R\}$ for an open set R .

LEMMA (5-1): Let (A1), (A2) and (A4) hold for (1-1). Let \hat{A} be the weak infinitesimal operator of a process $(\hat{x}(t))$ satisfying (1-1) with \hat{f}, \hat{g} replacing f, g and satisfying (A1)-(A3). Let $\hat{f} = f, \hat{g} = g$ in the bounded open set R . \hat{f} and \hat{g} can be arranged outside of R so that $\|\hat{x}_t\| \leq K < \infty$. Let F be continuous and bounded on bounded sets. Then, if $F \in \mathcal{D}(\hat{A})$, and $\hat{A}F = q$ is bounded on bounded sets, the restriction of F to R is in $\mathcal{D}(\tilde{A}_R)$ and on $R, \hat{A}F = \tilde{A}_R F$.

PROOF. That \hat{f} and \hat{g} can be arranged so that $\|\hat{x}_t\| < K$ is clear, since we can always find \hat{f}, \hat{g} , satisfying the other conditions and which are identically zero outside of some bounded open

set containing the closure of R .

Next, let $x \in R$ and suppose $F \in \mathcal{A}(\hat{A})$ and $\hat{A}F = q$. Define $\tau = \inf\{t: x_t \notin R\}$. Then*

$$E_x q(\hat{x}_t) - E_x q(\tilde{x}_t) = E_x [\chi_{\tau < t} (q(\hat{x}_t) - q(\tilde{x}_t))] \rightarrow 0$$

or

$$E_x q(\tilde{x}_t) \rightarrow q(x),$$

as $t \rightarrow 0$, since $q(\tilde{x}_t)$ and $q(\hat{x}_t)$ are uniformly bounded and $\chi_{\tau < t} \rightarrow 0$ w.p.1. by (2-10). To complete the proof we need only verify that $[E_x F(\tilde{x}_t) - F(x)]/t \rightarrow q(x)$. But, since $[E_x F(\hat{x}_t) - F(x)]/t \rightarrow q(x)$, it suffices to verify that**

$$\begin{aligned} 0 &= \lim_t \frac{E_x F(\hat{x}_t) - F(x)}{t} - \lim_t \frac{E_x F(\tilde{x}_t) - F(x)}{t} \\ &= \lim_t \frac{E_x \chi_{\tau < t} [F(\hat{x}_t) - F(\tilde{x}_{t \cap \tau})]}{t}. \end{aligned}$$

For $1 < \gamma < 2$, the evaluation (6-4) and Chebyshev's inequality imply that $E_x (\chi_{\tau > t/t})^\gamma \rightarrow 0$ as $t \rightarrow 0$. Also, $F(x_t) - F(x_{t \cap \tau})$ is uniformly bounded. Then, Holder's inequality implies that the last expression is zero. Q.E.D.

We have not been able to completely characterize the domain of the weak infinitesimal operator of either the x_t or

* $\chi_{\tau < t}$ is the characteristic function of the set $\{\omega: \tau < t\}$, and \tilde{x}_t is the x_t process stopped at τ .

** $t \cap \tau = \min(t, \tau)$.

\tilde{x}_t process. For example $F(x) = x(-a)$, $r > a > 0$, is not necessarily in $\mathcal{L}(\tilde{A})$, since $x(t)$ is not necessarily differentiable. Basically, we are able to study functions $F(x)$ whose dependence on $x(\theta)$, for $-r \leq \theta < 0$, is in the form of an integral. The dependence of $F(x)$ on $x(0)$ can be more arbitrary. Fortunately, the stochastic analogs of the available and useful deterministic Liapunov functions have this property. Theorems 5-1 and 5-2 give some results on the weak infinitesimal operator of \tilde{x}_t , where w is some open bounded set, $\tau = \inf\{t: x_t \in Q\}$ and (1-1) is interpreted in the sense of Sections 3 and 4, and (A4) is used. ((A4) is assumed since it appears in applications). The proofs are only sketched, since they involve only routine calculations.

THEOREM 5-1: Assume (A1), (A2) and (A4) and $x_0 = x \in C$. Let $F(x) \equiv G(x(0))$ have continuous second derivatives with respect to $x(0)$. Then $F(x) \in \mathcal{L}(\tilde{A}_R)$ and*

$$(5-1) \quad \tilde{A}_R F(x) \equiv LG(x(0)) = q(x) = G'_u(x(0))f(x) + \sum_{i,j} G_{u_i u_j}(x(0))\sigma_{ij}(x)$$

where
$$\sigma_{ij} = \sum_k g_{ik}g_{jk} .$$

* G'_u is the gradient with respect to the vector argument, and the subscript $u_i u_j$ denotes a second partial derivative. Recall that R is a bounded open set.

PROOF. To compute \tilde{A}_R^F it suffices to assume, by Lemma 5-1, that (A1)-(A3) hold and $\|x_t\| \leq K$ for some sufficiently large but finite K , and to compute \hat{A}^F for the modified process (denoted also by x_t). Define $\delta x(0) = x(s) - x(0)$. Then

$$\begin{aligned} \frac{1}{s} [E_x G(x(t)) - g(x(0))] &= \frac{1}{s} G'_u(x(0)) E_x \delta x(0) + \\ (5-2) \quad &\frac{1}{2s} \sum_{i,j} G_{u_i u_j}(x(0)) E_x \delta x_i(0) \delta x_j(0) + \\ &\frac{1}{2s} \sum_{i,j} E_x [G_{u_i u_j}(x(0) + \alpha(\omega) \delta x(0)) - G_{u_i u_j}(x(0))] \delta x_i(0) \delta x_j(0), \end{aligned}$$

where $0 \leq \alpha(\omega) \leq 1$ and $\delta x_j(0)$ is the j^{th} component of $\delta x(0)$. By (2-11) and (2-12), the limits (as $s \rightarrow 0$) of the first two terms on the right side of (5-2) exist and as the first two terms on the right side of (5-1). Now $[G_{u_i u_j}(x(0) + \alpha(\omega) \delta x(0)) - G_{u_i u_j}(x(0))]$ is bounded and tends to zero w.p.l. as $s \rightarrow 0$. Then, applying Schwartz's inequality and the estimate (6-4) to the 3rd term in (5-2) yields that the term tends to zero as $s \rightarrow 0$.

Since we have assumed that $\|x_t\| \leq K < \infty$, and (A1), the f_i and σ_{ij} may be assumed to be bounded and continuous. Since, in addition, G_u and $G_{u_i u_j}$ are bounded on bounded sets and $\|x_s - x\| \rightarrow 0$ w.p.l., we have $E_x q(x_t) \rightarrow q(x)$ as $t \rightarrow 0$. Thus, by Lemma 5-1, $F(x) \in \mathcal{A}(\tilde{A}_R)$.

THEOREM 5-2: Assume the conditions of Theorem 5-1 except that

$$(5-3) \quad F(x) = \int_{-r}^0 h(\theta)H(x(\theta), x(0))d\theta .$$

Let h be defined and have a continuous derivative on
some open set containing $[-r, 0]$. Let $H(\alpha, \beta)$, $H_{\beta_1}(\alpha, \beta)$
and $H_{\beta_1\beta_2}(\alpha, \beta)$ be continuous in α and β . Then
 $F(x) \in \mathcal{L}(\tilde{A}_R)$ and

$$(5-4) \quad \tilde{A}_R F(x) = q(x) = h(0)H(x(0), x(0)) - h(-r)H(x(-r), x(0)) \\ - \int_{-r}^0 h_{\theta}(\theta)H(x(\theta), x(0))d\theta + \int_{-r}^0 h(\theta)LH(x(\theta), x(0))d\theta ,$$

where the operator L is defined by (5-1) and acts on
 H as a function of $x(0)$ only.

PROOF. As in the proof of Theorem 5-1, we appeal to Lemma 5-1 and suppose that $\|x_t\| \leq K < \infty$ and (A1)-(A3) hold. Then, for small s ,

$$\begin{aligned} \frac{1}{s} [E_x F(x_s) - F(x)] &= \frac{E_x}{s} \int_{-r}^0 h(\theta) [H(x(s+\theta), x(s)) - H(x(\theta), x(0))] d\theta \\ &= \frac{E_x}{s} \int_{s-r}^s h(\theta-s) H(x(\theta), x(s)) d\theta - \frac{E_x}{s} \int_{-r}^0 h(\theta) H(x(\theta), x(0)) d\theta \\ (5-5) \quad &= \int_{-r}^0 \frac{E_x}{s} [h(\theta-s) H(x(\theta), x(s)) - h(\theta) H(x(\theta), x(0))] d\theta \\ &+ \frac{1}{s} \int_0^s E_x h(\theta-s) H(x(\theta), x(s)) d\theta - \frac{1}{s} \int_{-r}^{-r+s} E_x h(\theta-s) H(x(\theta), x(s)) ds . \end{aligned}$$

The last two terms tend, for each $x \in R$, to the first two terms

of (5-4), resp. (In fact the last integral is not random for $s \leq r$.) This is easily seen by virtue of the boundedness of H (for $\|x\| \leq K < \infty$), the continuity of h and H and (2-10).

By a straightforward calculation similar to that in the proof of Theorem 5-1, it is easy to show that the first term of (5-5) tends to the last two terms of (5-4).

That $E_x q(x_t) \rightarrow q(x)$ also follows easily from (2-10), $\|x_t\| \leq K < \infty$, and the assumed boundedness and continuity of properties of h , h_θ , H and LH .

Theorem 5-3 and its Corollary are useful extensions of Theorems 5-1 and 5-2. Their proofs are also straightforward computations and will not be given. Loosely speaking, for Theorem 5-3, (see statement of Theorem)

$$\begin{aligned} \tilde{A}_R G = & \lim_{s \rightarrow 0} G_F(F(x)) E_x \left[\frac{F(x_s) - F(x)}{s} \right] \\ & + \lim_{s \rightarrow 0} \frac{G_{FF}(F(x))}{2} E_x \frac{[F(x_s) - F(x)]^2}{s}. \end{aligned}$$

The first and second terms correspond to the first and second terms of (5-6), resp. The second term reduces to merely

$$\lim_{s \rightarrow 0} \frac{E_x}{s} \int_{-r}^0 [h(\theta) [H(x(\theta), x(s)) - H(x(\theta), x(0))]] d\theta]^2 \cdot G_{FF}(F(x)).$$

THEOREM 5-3: Let G be a twice continuously differentiable real
valued function of a real argument. Assume the conditions
of Theorem 5-2. Then $F_1(x) \equiv G(F(x)) \in \mathcal{U}(\tilde{A}_R)$ and

$$\tilde{A}_R F_1(x) = G_F(F(x)) \tilde{A}_R F(x) + \frac{1}{2} G_{FF}(F(x)) \cdot B$$

(5-6)

$$B = \int_{-r}^0 \int_{-r}^0 h(\theta) h(\rho) \sum_{i,j} H_{\beta_i}(x(\theta), x(0)) H_{\beta_j}(x(\rho), x(0)) \sigma_{ij}(x) d\theta d\rho.$$

where the derivatives H_{β_i} are with respect to the i^{th} component of the second vector argument of $H(\alpha, \beta)$.

COROLLARY. Let $F^a(\beta)$ and $F^b(\alpha, \beta)$, resp., satisfy the conditions on the respective F 's of Theorems 5-1 and 5-2. Then, if G is twice continuously differentiable, $F_1(x) = G(F^a(x) + F^b(x)) \in \mathcal{Q}(\tilde{A}_R)$ and

$$\begin{aligned} \tilde{A}_R F_1(x) &= G_F(F^a(x) + F^b(x)) (\tilde{A}_R F^a(x) + \tilde{A}_R F^b(x)) \\ &\quad + \frac{1}{2} G_{FF}(F^a(x) + F^b(x)) \cdot B \end{aligned}$$

$$\begin{aligned} B &= \sum_{i,j} \sigma_{ij}(x) [F_{\beta_i}^a(x(0)) + C_i(x)] [F_{\beta_j}^b(x(0)) + C_j(x)] \\ C_i(x) &= \int_{-r}^0 h(\theta) H_{\beta_i}(x(\theta), x(0)) d\theta. \end{aligned}$$

The differentiations $F_{\beta_i}^a$ and H_{β_i} are with respect to the i^{th} component of $x(0)$ (the second argument of the functions).

6. STABILITY THEOREMS.

Various definitions concerning stochastic stability appear in [1],[3]. In lieu of definitions, we merely concern ourselves with the properties, which the definitions codify, and which appear in the Theorems. Theorem 5-1 is a generalization of Lemma 1 and Theorems 1, 2 of Kushner [3], Chapter 2, where the state space is supposed to be Euclidean.

THEOREM 6-1: Let x_t be a right continuous strong Markov process on a topological state space $\{C, \mathcal{L}, \mathcal{B}\}$ with weak infinitesimal operator \tilde{A} . Let the norm $\| \cdot \|$ generate \mathcal{L} . Let the non-negative continuous real valued function $V(x)$ be in $\mathcal{L}(\tilde{A})$. Let $Q = \{x: V(x) < q\}$ and let $\tau = \inf\{t: x_t \in Q\}$. Set $\tau = \infty$ if $x_t \in Q$ for all $t < \infty$. Let $\tilde{A}V(x) = k(x) \leq 0$ in Q . Then, for $x = x_0 \in Q$,

$$(B1) \quad V(x_{t \wedge \tau}) \equiv w_t \quad \text{is a non-negative supermartingale}$$

$$(B2) \quad P_x\{ \sup_{\infty > t \geq 0} V(x_t) \geq q \} \leq V(x)/q$$

$$(B3) \quad V(x_{t \wedge \tau}) \rightarrow v \geq 0 \text{ w.p.1.}, \quad v \leq q \text{ w.p.} \geq 1 - V(x)/q .$$

If, in addition, (i); k is uniformly continuous on the non empty open set $R_\delta \equiv \{x: k(x) < \hat{\delta}\} \cap Q$, for some $\hat{\delta} > 0$ and (ii); for all sufficiently large but finite Markov times t , and all sufficiently small ϵ ,

$$P_x\{ \max_{t+h \leq s \leq t} \|x_s - x_t\| \geq \epsilon \text{ and } x_r \in Q, \text{ all } r \leq t \} \rightarrow 0$$

as $h \rightarrow 0$, uniformly in t for sufficiently large t ,
and any $x \in Q$. Then

(B4) $k(x_t) \rightarrow 0$ w.p.l. (relative to $\Omega_Q = \{\omega: \sup_{\infty > t \geq 0} V(x_t(\omega)) < q\}$).

PROOF. Fix the initial condition $x = x_0 \in Q$. Since $V(x) \in \mathcal{L}(\tilde{A})$
and $\tau \wedge t$ is a finite valued Markov time, Dynkin's formula ([8],
Theorem 5.6 and Corollary) gives

$$(6-1) \quad E_x V(x_{t \wedge \tau}) - V(x) = - E_x \int_0^{t \wedge \tau} k(x_s) ds \leq 0.$$

(6-1) together with the fact that $V(x) \in \mathcal{L}(\tilde{A})$ yields that
 $V(x_{t \wedge \tau}) \equiv w_t$ is a non-negative supermartingale (Dynkin, [8],
Theorem 12.6). Then (B2) and (B3) follow immediately as properties
of non-negative supermartingales.

Let $0 < \delta < \hat{\delta}$ and $R_\delta \equiv \{x: k(x) < \delta\} \cap Q$. Let $I_x(\delta, \omega, s)$ be
the indicator of the (s, ω) set where $k \geq \delta$ (for $x_0 = x$) and
let $\int_{t \wedge \tau}^{\tau} I_x(\delta, \omega, s) ds = T_x(\delta, t)$. Then, by the facts that the left
side of (6-1) is bounded below by $-V(x)$, and that $V(x) \geq 0$, we
have $E_x T_x(\delta, 0) \leq V(x)/\delta$. $T_x(\delta, t)$ is the total time that x_t
spends in $Q - R_\delta$ before either $t = +\infty$ (if $\tau = \infty$) or the first
exit time from Q (if $\tau < \infty$). Furthermore $T_x(\delta, t) < \infty$ w.p.l.
and $T_x(\delta, t) \rightarrow 0$ w.p.l. as $t \rightarrow \infty$.

Now, $\min\{\|x-y\|, x \in R_{\delta/2}, y \in Q - R_\delta\} = \epsilon$, where $\epsilon > 0$
by (i). Define $\Omega_Q = \{\omega: x_t \in Q, \text{ all } t < \infty\}$. $P(\Omega_Q) \geq 1 - V(x)/q$

by (B2). For each fixed positive h and γ , there is a $t_x(h, \gamma)$ so that $t > t_x(h, \gamma)$ implies $T_x(\delta, t) \leq T_x(\delta/2, t) < h$ with probability $\geq 1 - \gamma$. Let $t_x(h, \gamma)$ be sufficiently large and h sufficiently small so that the probability on the left side of (ii) is less than γ . Suppose that there is a finite Markov time $t > t_x(h, \gamma)$ for which $x_t \in Q - R_\delta$. The probability of the event $\{x_t \in Q - R_\delta, x_{t+\alpha} \in Q - R_{\delta/2}$ for some $h \geq \alpha \geq 0$ is no greater than γ (relative to Ω_Q). Thus, since $T_x(\delta_1, t) > h$ with probability $\geq 1 - \gamma$, we conclude that the probability of never leaving R_δ in $[t, \infty)$ goes to 1 (relative to Ω_Q) as $t \rightarrow \infty$. Since δ is arbitrary, we conclude that $k(x_t) \rightarrow 0$ w.p.l. (relative to Ω_Q). Q.E.D.

An apparant difficulty with the sets $\{x: V(x) < q\}$ defined in Theorem 6-1 is that they are not bounded for typical cases (see e.g., the examples) and, hence, the characterization of the weak infinitesimal operator is much harder than the work in Section 5. This is also the situation in the deterministic case (as in Hale [4]). However, in our examples (as well as in the deterministic cases studied (Hale [4])), it turns out that if $x_0 = x \in \{x: V(x) < q\} \subset C$, then there is a constant K independent of x_0 so that $\|\tilde{x}_t\|$ (for $t \geq r$) and $|\tilde{x}(t)|$ (for $t \geq 0$) are no greater than K . In other words, up until the first exit time from $\{x: V(x) < q\}$, $|x(t)| \leq K < \infty$. (For examples, refer to Section 7.) Since any initial $x_0 \in C$ is bounded, there is no loss in generality in supposing that there is a bounded open set

B , whose radius is K_1 , $\infty > K_1 \geq K$, so that, if $x_0 \in Q \equiv \{x: V(x) < q\} \cap B$, then $\|x_t\| \leq K_1$ until $\tau = \inf\{t: x_t \in Q\}$. B can always be made large enough to include any desired initial condition which satisfies $x \in \{x: V(x) < q\}$. The resulting boundedness, besides not appearing to be a serious restriction, enables us to use the results of Section 5.

THEOREM 6-2: Assume (A1), (A2) and (A4). Let $V(x)$ be a continuous non-negative real valued function on C . Suppose that (iii): there is a bounded open set B such that $x_0 = x \in Q \equiv \{x: V(x) < q\} \cap B$ and $\sup_{t > s \geq 0} V(x_s) < q$ imply that $x_s \in Q$, all $0 < s < t$. Let $V(x) \in \mathcal{L}(\tilde{A}_Q)$ and $\tilde{A}_Q V(x) = -k(x) \leq 0$ in Q , and $x \in Q$. Then (B1)-(B3) hold, and $P(\Omega_Q) \geq 1 - V(x)/q$. If k is uniformly continuous on $R_{\hat{\delta}} = \{x: k(x) < \hat{\delta}\}$ for some $\hat{\delta} > 0$, then $k(x_t) \rightarrow 0$ w.p.l. (relative to Ω_Q).

REMARK. For $V(x) \in \mathcal{L}(\tilde{A}_Q)$, it suffices, by the hypothesis and Lemma 5-1, that $V(x) \in \mathcal{L}(\hat{A})$ where \hat{A} is the weak infinitesimal operator of any modification of (1-1) with $\hat{f} = f$, $\hat{g} = g$ in Q and which has uniformly bounded paths (where the bound is at least the outer radius of B).

PROOF. Condition (iii) and Theorem 6-1 imply (B1)-(B3). To complete the proof we have only to show that (ii) of Theorem 6-1 is true. According to Lemma 5-1, it suffices to show this under assumptions (A1)-(A3) and with the paths $\|x_t\| \leq K_2$ for some

finite K_2 . Condition (ii) is equivalent to

$$(6-2) \quad P_x \{ \max_{h \geq s \geq 0} \max_{-r \leq \theta \leq 0} |x(t+s+\theta) - x(t+\theta)| \geq \epsilon, x_u \in Q, u \leq t \} \rightarrow 0$$

as $h \rightarrow 0$, uniformly in t for large t , and any $\epsilon > 0$. (6-2)

is majorized by

$$(6-3) \quad \sup_{x \in Q} P_x \{ \max_{h \geq s \geq 0} \max_{-r \leq \theta \leq 0} |x(r+s+\theta) - x(r+\theta)| \geq \epsilon \}$$

$$= \sup_{x \in Q} P_x \{ \max_{h \geq s \geq 0} |x(r+\theta+s) - x(r+\theta)| \geq \epsilon \text{ for some } \theta \in [-r, 0] \}$$

$$\leq \sum_{n=0}^{r/h} \sup_{x \in Q} P_x \{ \max_{h \geq s \geq 0} |x(nh+s) - x(nh)| \geq \frac{\epsilon}{2} \}.$$

To complete the proof, we need the evaluation

$$(6-4) \quad E \max_{h \geq s \geq 0} |x(t+s) - x(t)|^4 \leq K_3 (E \int_t^{t+h} |f(x_s)| ds)^4 + K_3 \left(\int_t^{t+h} E |\sigma(x_s)|^2 ds \right)^2$$

$$\leq K_4 h^2,$$

where K_4 is independent of h, t and x , for $x \in Q$. In (6-4), we used the assumption (Lemma 5-1) that the paths $\|x_t\|$ are bounded (hence $|f|$ and $|\sigma|$ are bounded) the first line of (2-3) and $Ew_1^4(T) = 3(Ew_1^2(T))^2$ (see (2-3)).

By (6-4) Chebyshev's inequality

$$\begin{aligned}
 P_x \left\{ \max_{h \geq s \geq 0} |x(nh+s) - x(nh)| \geq \frac{\epsilon}{2} \right\} &\leq \frac{E \max_{h \geq s \geq 0} |x(nh+s) - x(nh)|}{(\epsilon/2)^4} \\
 &\leq \frac{16K_4 h^2}{\epsilon^2} = \frac{K_5 h^2}{\epsilon^4}
 \end{aligned}$$

for $x \in Q$. Then each entry of the right hand sum of (6-3) is bounded by $K_5 h^2 / \epsilon^4$ and, hence, the sum is bounded by $(r+h)K_5 h / \epsilon^4$, which completes the proof.

7. EXAMPLES.

EXAMPLE 1. Let $x(t)$ be scalar and

$$dx(t) = -ax(t)dt - bx(t-\tau)dt + \sigma x(t-\rho)dz(t).$$

$$(7-1) \quad V(x) = x^2(0)/2 + \alpha \int_{-\tau}^0 x^2(\theta)d\theta + \beta \int_{-\rho}^0 x^2(\theta)d\theta, \quad \alpha \geq 0, \beta \geq 0.$$

Fix $q < \infty$, and $x_0 = x \in C$. Let $\|x\| = K_2$. Note that, if $V(x_s) < q$ for all $s < t$, then $x^2(s) < 2q$ for all $0 \leq s < t$, and $\|x_s\| \leq \max(\sqrt{2q}, K_2)$ for all $s < t$. Then, any bounded open set B , containing the origin and with radius at least $\max(\sqrt{2q}, K_2)$, satisfies the condition on the set B of Theorem 6-2. Let $Q = \{x: V(x) < q\} \cap B$. Then $V(x) \in \mathcal{L}(\tilde{A}_Q)$ by Theorems 5-1 and 5-2, and

$$(7-2) \quad \begin{aligned} \tilde{A}_Q V(x) = & x^2(0)(-a + \alpha + \beta) - bx(0)x(-\tau) \\ & - \alpha x^2(-\tau) - \beta x^2(-\rho) + \frac{\sigma^2}{2} x^2(-\rho). \end{aligned}$$

Suppose that there is an $\alpha > 0$ and $\beta > 0$ so that the quadratic form (7-2) (in $x(0), x(-\tau), x(-\rho)$) is negative definite. Then, by Theorem 6-2,

$$(7-3) \quad P_x \left\{ \sup_{\infty > t \geq 0} V(x_t) \geq q \right\} \leq V(x)/q.$$

Since q is arbitrary, we also have, w.p.l.

$$V(x_t) \rightarrow v$$

$$k(x_t) \rightarrow 0$$

$$x_t \rightarrow \{x: x(t) = x(t-\rho) = x(t-\tau) = 0\} .$$

where $v(\omega)$ is some random variable. Hence $x_t \rightarrow 0$ w.p.l.

For small noise, the estimate (7-3) can be improved.

Let $\beta = \rho = 0$ for ease of computation. Let $F(x) = e^{\lambda V(x)}$, where $\lambda > 0$.

$F(x) \in \mathcal{L}(\tilde{A}_Q)$ (for any sufficiently large B) and, by the Corollary to Theorem 5-3,

$$\begin{aligned} \tilde{A}_Q F(x) &= \lambda F(x) \tilde{A}_Q V(x) + \frac{\lambda^2}{2} F(x) \cdot x^2(0) \sigma^2 \\ &= \lambda F(x) \{ x^2(0) (-a + \frac{\sigma^2}{2} + \alpha + \frac{\lambda \sigma^2}{2}) - \alpha x^2(-\tau) \\ &\quad - b x(0) x(-\tau) \} . \end{aligned}$$

If

$$(7.4) \quad \alpha \left(a - \frac{\sigma^2}{2} - \frac{\lambda \sigma^2}{2} - \alpha \right) \geq b^2/4$$

and then $F(x)$ is a Liapunov function

$$\begin{aligned} (7-5) \quad P_x \{ \sup_{\infty > t \geq 0} V(x_t) \geq q \} &= P_x \{ \sup_{\infty > t \geq 0} e^{\lambda V(x_t)} \geq e^{\lambda q} \} \\ &\leq e^{-\lambda(V(x)-q)} . \end{aligned}$$

Clearly, as λ increases, within the constraint (7-4), the estimate (7.5) improves.

EXAMPLE 2. Let

$$dx_1(t) = x_2(t)dt$$

$$dx_2(t) = \{-h(x_1(t)) + \int_{-r}^0 f(\theta)g(x_1(t+\theta)-x_1(t))d\theta\}dt \\ + \sigma(x_t)dz(t) .$$

Suppose that $w \neq 0$ implies that $h(w)w > 0$ and $g(w)w > 0$ and let $h(0) = g(0) = \sigma(0) = 0$. Let $f(\theta), g(w)$ and $h(w)$ have continuous derivatives and suppose that (A1), (A2) and (A4) hold. Define

$$(7-6) \quad V(x) = x_2^2(0)/2 + H(x_1(0)) + \int_{-r}^0 f(\theta)G(x_1(\theta)-x_1(0))d\theta$$

where

$$H(w) \equiv \int_0^w h(\lambda)d\lambda \rightarrow \infty \text{ as } |w| \rightarrow \infty$$

and

$$G(w) = \int_0^w g(\lambda)d\lambda .$$

Fix $q < \infty$ and $x = x_0 \in C$. Let $\|x\| = K_2$. Note that, if $V(x_s) < q$ for all $s < t$ then $x_2^2(s) < 2q$ and $H(x_1(s)) < q$ for all $0 \leq s < t$ and, hence, for $0 \leq s < t$,

$$\|x_s\| \leq \max \{K_2, (2q + \max \{|x_1|^2 : H(x_1) = q\})^{1/2}\} = K_1 .$$

Any bounded open set B , with radius at least K_1 and which contains the origin, satisfies the conditions on the B of Theorem 6-2. Then, $V(x) \in \mathcal{A}(\tilde{A}_Q)$ and Theorems 5-1 and 5-2 yield

$$\begin{aligned}
 \tilde{A}_Q V(x) &= x_2(0) \{-h(x_1(0)) + \int_{-r}^0 f(\theta) g(x_1(\theta) - x_1(0)) d\theta\} \\
 &\quad + \sigma^2(x)/2 + h(x_1(0))x_2(0) \\
 (7-7) \quad &\quad - f(-r)G(x_1(-r) - x_1(0)) \\
 &\quad + \int_{-r}^0 f_\theta(\theta)G(x_1(\theta) - x_1(0))d\theta - \int_{-r}^0 f(\theta)g(x_1(\theta) - x_1(0))x_2(0)d\theta \\
 &= \sigma^2(x)/2 + \int_{-r}^0 f_\theta(\theta)G(x_1(\theta) - x_1(0))d\theta - f(-r)G(x_1(-r) - x_1(0)).
 \end{aligned}$$

To complete the analysis, in analogy to the method of Hale [4], suppose that $f(\theta) > 0$, $f_\theta(\theta) \leq 0$ and $f_\theta(\rho) < 0$ for some $\rho \in [-r, 0]$, and that, for some $\gamma > 0$,

$$\sigma^2(x)/2 - f(-r)G(x_1(-r) - x_1(0)) \leq -\gamma f(-r)G(x_1(-r) - x_1(0)).$$

Note that, by continuity, $f_\theta(\theta) < 0$ for $\rho - \beta < \theta < \rho + \alpha$, for some $\alpha > 0$, $\beta > 0$. Then

$$\tilde{A}_Q V(x) \leq \int_{-r}^0 f_\theta(\theta)G(x_1(\theta) - x_1(0))d\theta - \gamma f(-r)G(x_1(-r) - x_1(0)) \leq 0.$$

$$(7-8) \quad P_x \left\{ \sup_{t \geq 0} V(x_t) \geq q \right\} \leq V(x)/q .$$

Since q is arbitrary, Theorem 6-2 implies that $k(x_t) \rightarrow 0$ w.p.l., and that $V(x_t)$ converges w.p.l. Equation (7-8) will be useful in the sequel, for it says that the paths x_t are uniformly bounded with a probability as close to one as desired. Note that $G(x_1(t-r)-x_1(t)) \rightarrow 0$ w.p.l. implies that $x_1(t-r)-x_1(t) \rightarrow 0$ w.p.l. We now show that $x(t) \rightarrow 0$ w.p.l. Since $k(x_t) \rightarrow 0$ w.p.l.,

$$\int_{-\rho-\beta+\epsilon}^{-\rho+\alpha-\epsilon} G(x_1(t+\theta)-x_1(t))d\theta \rightarrow 0$$

w.p.l., for $0 < \epsilon < \min(\alpha, \beta)$. Thus, using the positive definiteness of G , and the boundedness of the paths,

$$(7-9) \quad \int_{-T}^0 G(x_1(t+\theta)-x_1(t))d\theta \rightarrow 0$$

$$\int_{-T}^0 |x_1(t+\theta)-x_1(t)|d\theta \rightarrow 0$$

w.p.l., as $t \rightarrow 0$, for any finite T . Also, using (7-9) and the fact that $V(x_t) \rightarrow v(\omega) \geq 0$ w.p.l., we have, w.p.l.

$$(7-10) \quad x_2^2(t)/2 + H(x_1(t)) \rightarrow v(\omega) \geq 0.$$

Now integrating the defining equations between $t-s$ and s gives

$$(7-11) \quad x_2(t) - x_2(t-s) = -\int_{t-s}^t h(x_1(u)) du + \int_{t-s}^t du \int_{-r}^0 f(\theta) g(x_1(u+\theta) - x_1(u)) d\theta \\ + \int_{t-s}^t \sigma(x_u) dz(u)$$

$$(7-12) \quad x_1(t) - x_1(t-s) = \int_{t-s}^t x_2(u) du .$$

Using (7-9), and the boundedness of the paths, the second term on the right of (7-11) goes to zero w.p.l. as $t \rightarrow \infty$, for any $s > 0$. Also, (7-9) and (7-12), together with the stochastic continuity of $x_2(u)$ (Theorem 2-2), imply that $x_1(t) - x_1(t-s) \rightarrow 0$ w.p.l. for any finite s . Then using this fact and stochastic continuity, (7-10) implies that $x_2(t) - x_2(t-s) \rightarrow 0$ w.p.l. The latter fact implies, via (7-12), that $x_2(u) \rightarrow 0$ w.p.l. as $t \rightarrow \infty$. Finally, (7-11) gives

$$(7-13) \quad -\int_{t-s}^t h(x_1(u)) du + \int_{t-s}^t \sigma(x_u) dz(u) \rightarrow 0$$

w.p.l. Equation (7-13), together with the fact that $x_1(u)$ is asymptotically constant over time intervals of fixed length (i.e., $x_1(t) - x_1(t-s) \rightarrow 0$ w.p.l. for all $s > 0$ as $t \rightarrow \infty$) implies that $h(x_1(u)) \rightarrow 0$ w.p.l., and, hence, that $x(t) \rightarrow 0$ w.p.l.

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