

Figure 1
Monopoly Region in Characteristic Space

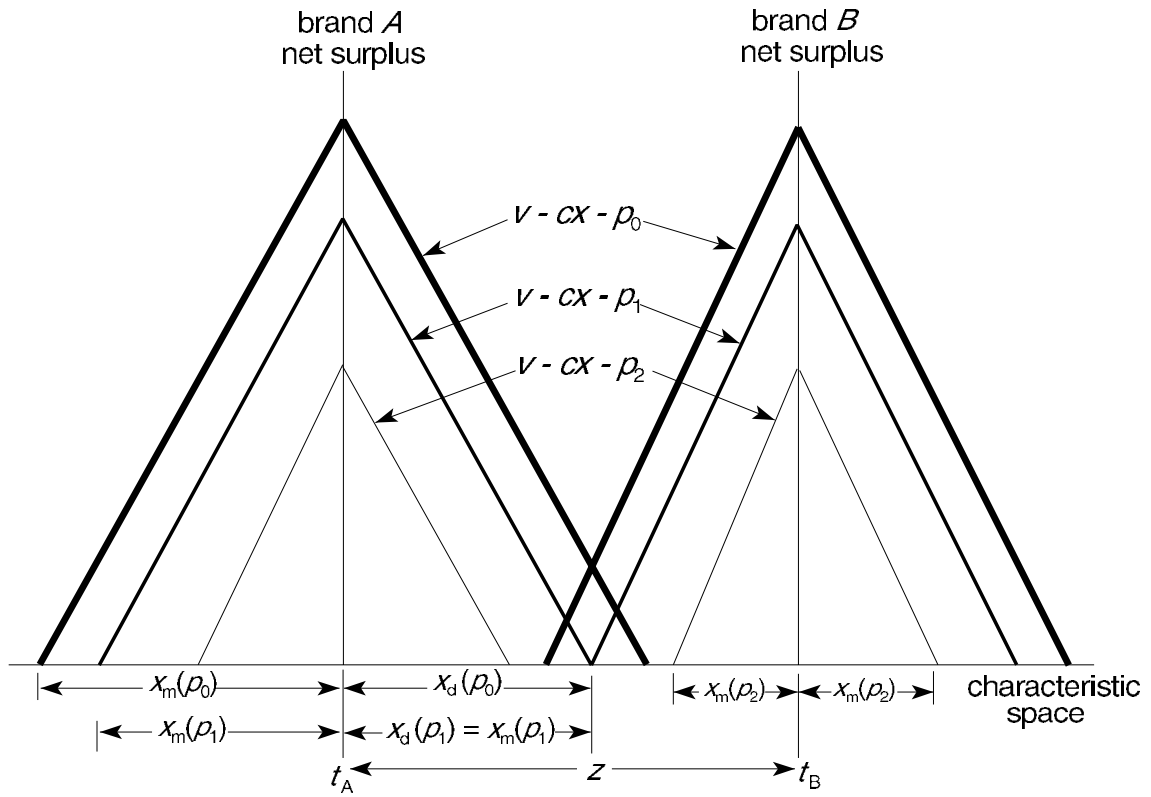


Figure 2
Duopoly in Characteristic Space

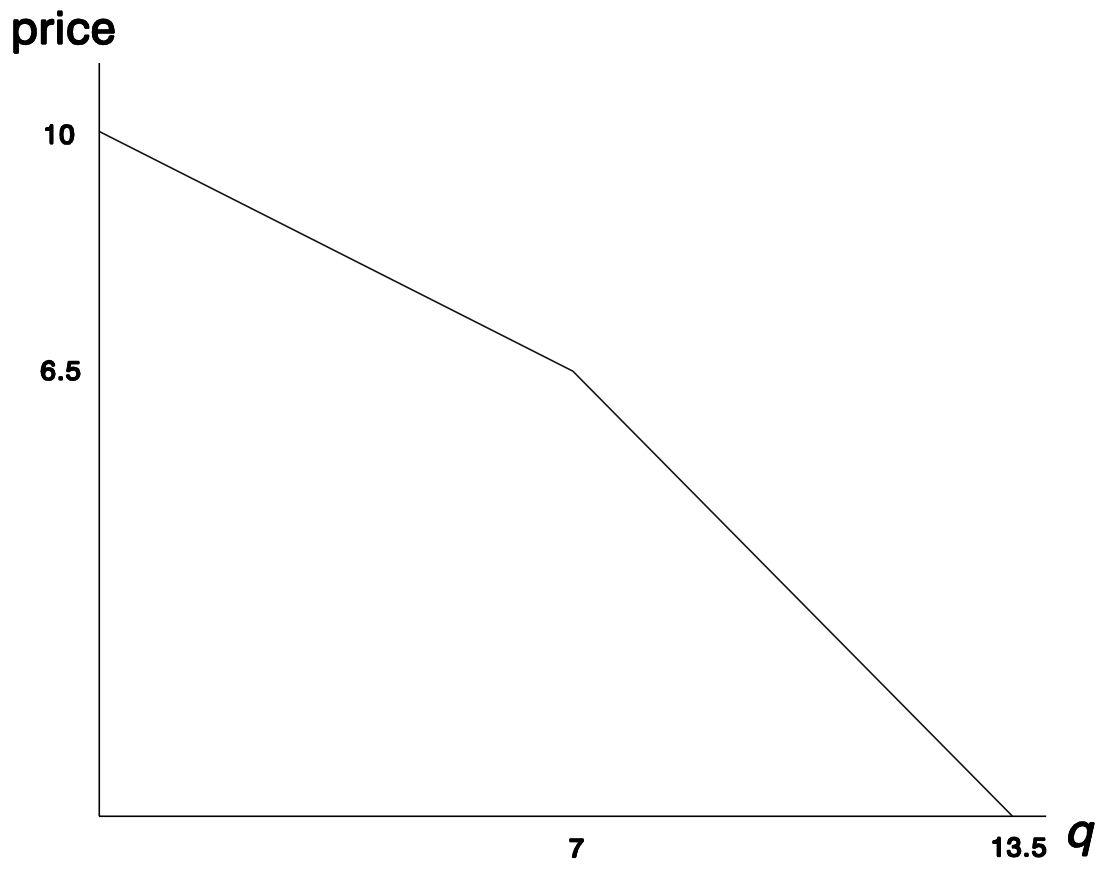


Figure 3
The Kinked Demand Curve

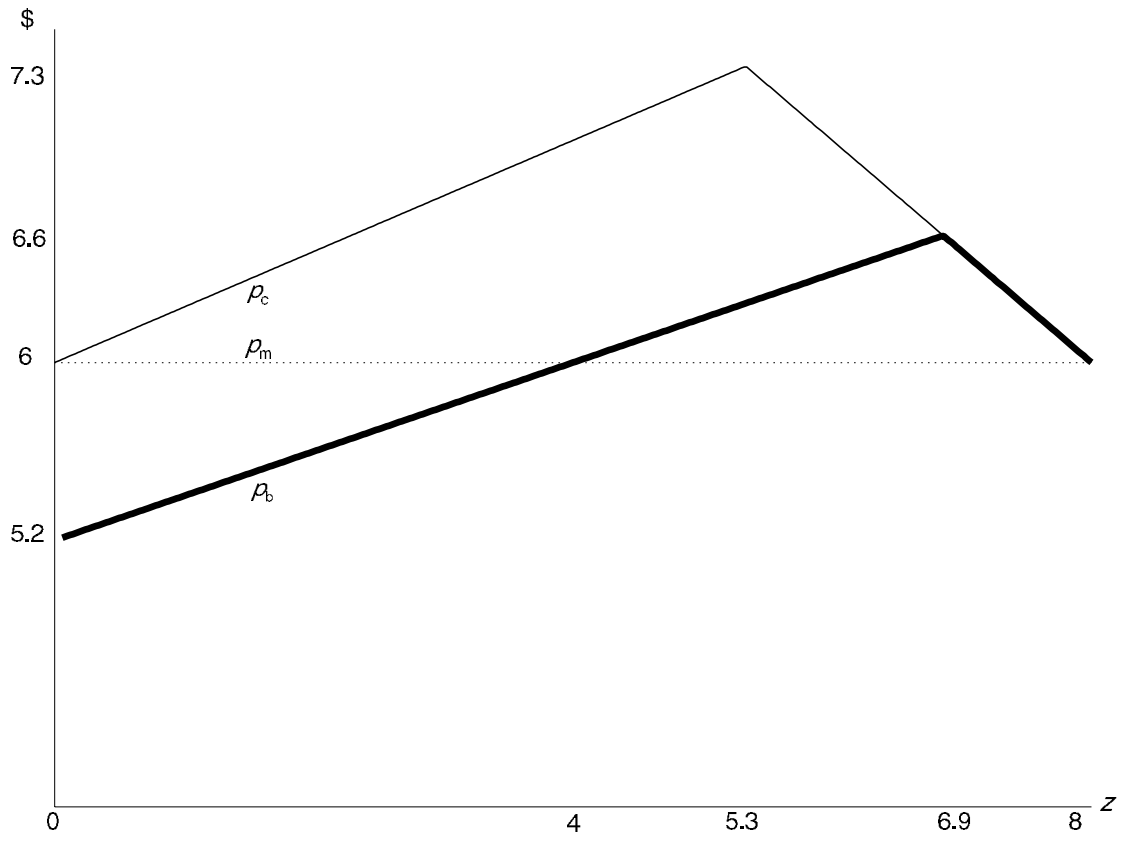


Figure 4
Bertrand and Cartel Prices Vary with z

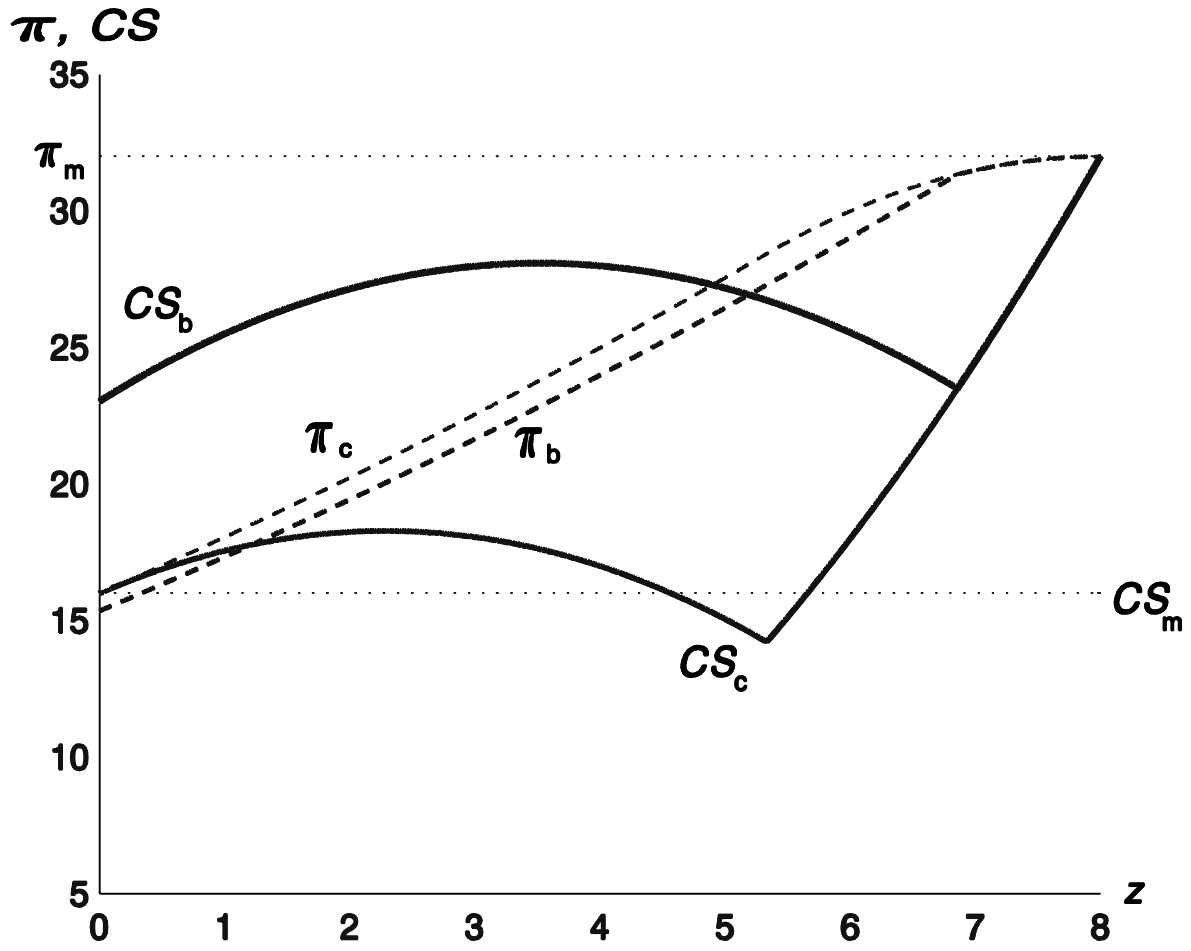


Figure 5
 Profits and Consumer Surplus Vary with Distance

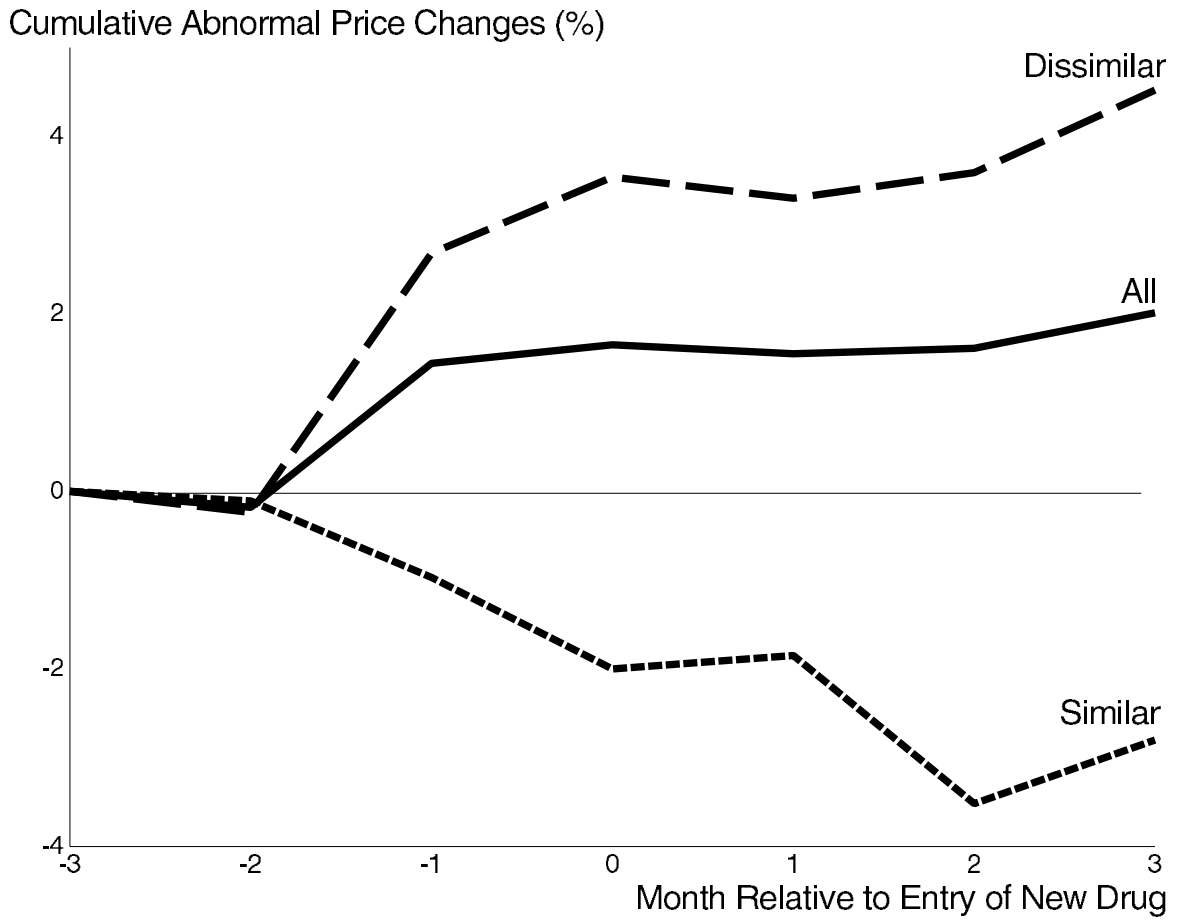


Figure 6
Cumulative Unexpected Price Effects