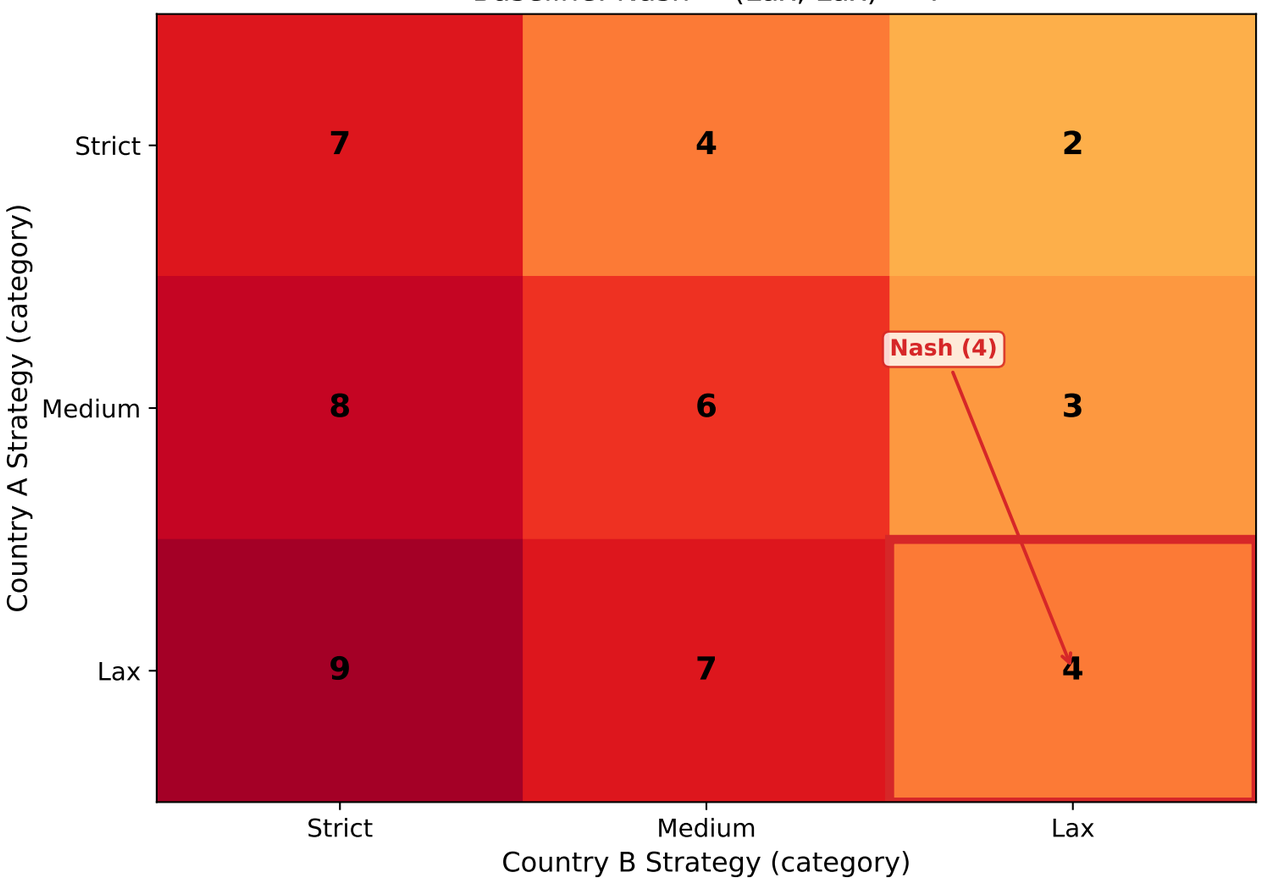
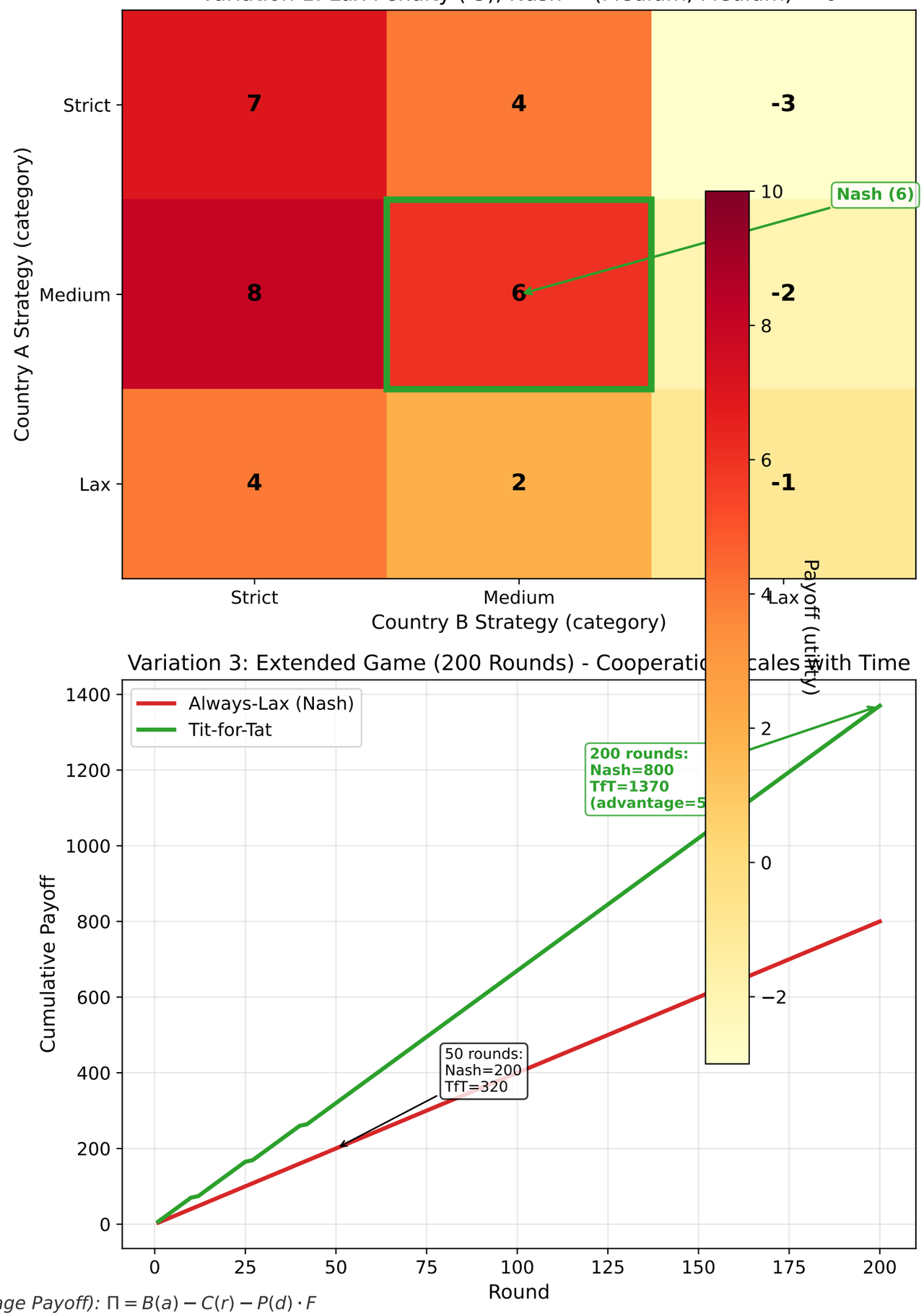
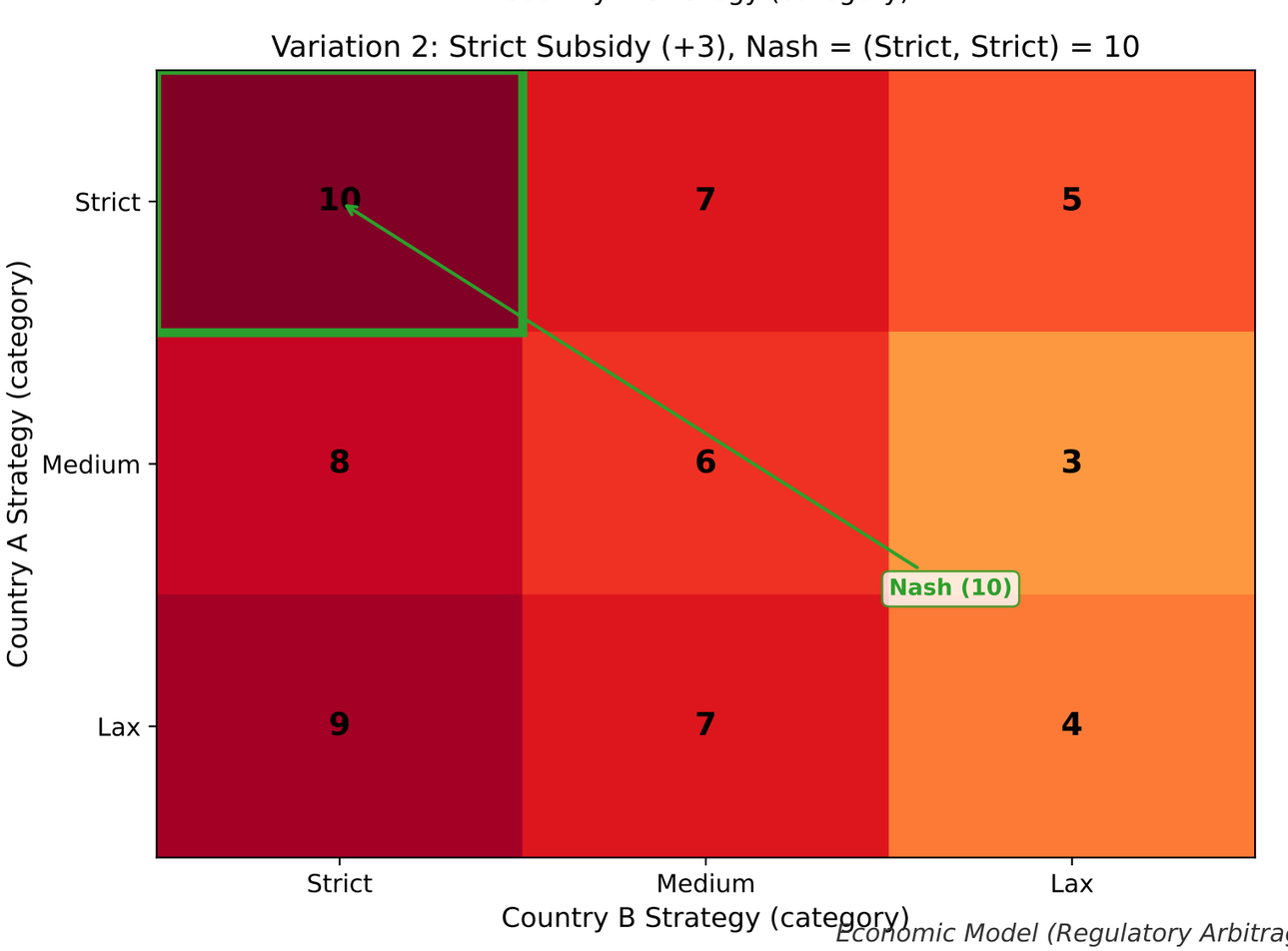
Regulatory Competition: How Penalties, Subsidies, and Repetition Change Equilibria







Economic Model (Regulatory Arbitrage Payoff): $\Pi = B(a) - C(r) - P(d) \cdot F$