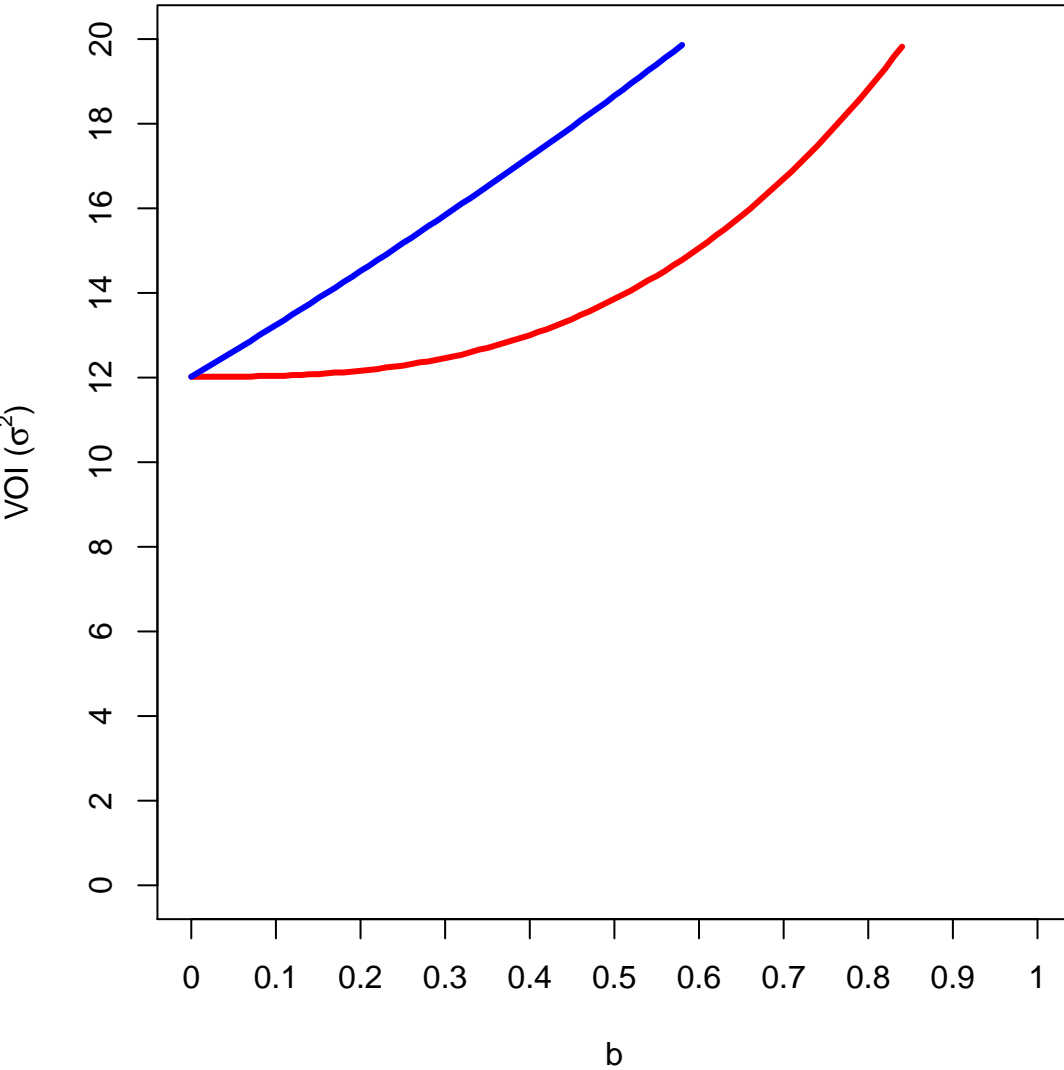


Figure 11.  $K = 3$

(a) Firms' Strategic Choices



(b) Socially Efficient Strategies

