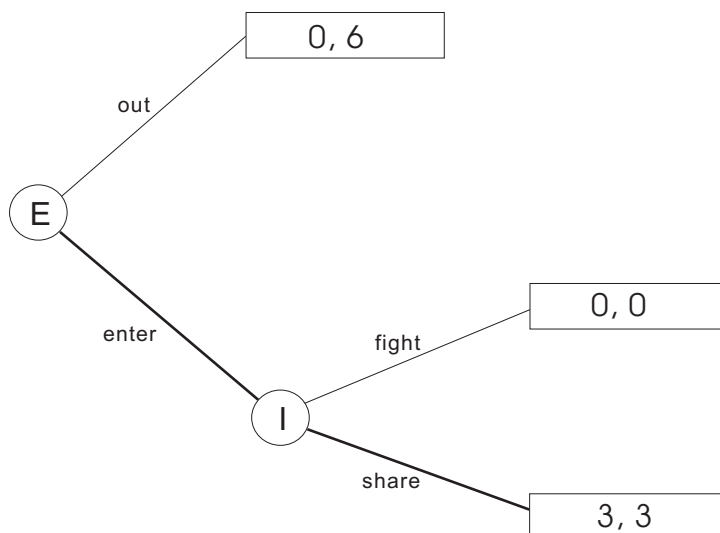


Fig. 7-1a: Entry deterrence game: entrant v. incumbent**Fig. 7-1b: Excess capacity: credible threat**