

## **ECON 321, Assignment 17: BP Chapter 16: 16.1 Taxonomy of Entry-Related Strategies**

1. Read Section 16.1, paying particular attention to the meaning of “tough” versus “soft.”
2. Do exercise 16.1, “Quantity Commitment” at the end of the chapter (pg. 450 in the printed book). You can do it in Mathematica or not as you please.
3. Is firm 1’s choice of  $q_1$  a tough investment or a soft investment?