

# The Kreps-Scheinkman game in mixed duopolies

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February 24, 2014

## Abstract

In this paper we generalize the results of Kreps and Scheinkman (1983) to mixed duopolies in which a private firm competes with a public firm. In particular, we show that quantity precommitment and Bertrand competition yield Cournot outcomes not only in the case of private firms but also when a public firm is involved. To obtain our result we assume strictly convex cost and concave demand functions.

**Keywords:** mixed duopoly, Cournot, Bertrand-Edgeworth.

**JEL Classification Number:** D43, L13.

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