## TABLE OF CONTENTS

## MANAGEMENT SCIENCE AND ECONOMICS

A Study of Manufacturer-Retailer Marketing Strategies: A Differential Game Approach P. Chintagunta, Cornell University D. Jain, Northwestern University	1
The Feedback Stackelberg Equilibrium in the Cartel-Versus-Fringe Model F. Groot, Tilburg University	11
A Stackelberg-Nash Model for the Design of Deregulated Transit System P. Marcotte, Collegé Militaire Royal de St-Jean M. Blain, Université de Montréal	21
A Game Theoretical Approach to Public Investment Versus Private Investment D. Yeung, University of Hong Kong and University of Windsor	29
Entry with New Multiproduct Technologies  LH. Röller, M.M. Tombak  European Institute of Business Administration	39
INCENTIVES AND COORDINATION	
Distributed Hierarchical Team Resource Allocation X. Miao, P.B. Luh, D.L. Kleinman University of Connecticut	48
Incentive Strategies in an Inter-Firm Coordination Arrangement M.A. Pérez, Universidad Catolica de Chile and AT&T Bell Laboratories	58
Strategic Bargaining and Difference Games H. Houba, Tilburg University A. de Zecuw, Tilburg University and Free University	68
The desired the second	

On Intertemporal Cooperation - A Dynamic Stochastic Problem with Nonadditive Group Utility Function  H. Ehtamo, J. Ruusunen, R.P. Hämäläinen  Helsinki University of Technology	88
RESOURCE MANAGEMENT AND ENVIRONMENT	
Differential Games and the Optimal Management of Transboundary Fisheries G.R. Munro, University of British Columbia	95
Economic Planning and Uncertainty in Renewable Resources L. Salchenberger, Loyola University of Chicago S. Stefani, University of Brescia	102
Pollution Vs. Nature - Differential Game Models M. Schäfer, Universität der Bundeswehr, Hamburg	112
A Nonzero-Sum Game with Variable Final Time M.B. Klompstra, Delft University of Technology	122
Environment Problem as a Common-Property Resource Game S. Clemhout, H. Wan, Jr. Comell University	132
The Environmental-Economic Planning Model with the Dynamic Stackelberg Game N. Koyama, Nagoya City University, Japan	155
Heterogeneous Discount Rates: A Generalization of Hotelling's Rule A.G. Malliaris, Loyola University of Chicago S. Stefani, University of Brescia	163
Investment, Harvest, and Taxation Strategies of the Forest Sector: A Differential Game Approach with a Computational Decision-Aid H. Kivijärvi, M.Soismaa Helsinki School of Economics	170
Transboundary Air Pollution between Finland and the USSR: A Dynamic Acid Rain Game  V. Kaitala, Helsinki University of Technology  M. Pohjola, Research Institute of the Finnish Economy  O. Tahvonen, Helsinki School of Economics	183

## HIERARCHICAL MODELS AND COMPUTATION

The Derivation of Feedback Stackelberg Equilibria in Dynamic Economic Games R. Gradus, Tilburg University	193
Dynamic Game Strategies for Corporate Demand Models in National Economy Y. Ito, Mcijo University, Nagoya	204
Hierarchical Dynamic Planned-Economy Models with Central Government Coordination of One-Step Delay Information BB. Li, JZ. Wu Shanghai Jiao-Tong University	213
Non-Cooperative Equilibrium Solutions for a Stochastic Dynamic Game of Economic Stabilization Policies R. Neck, Wirtschaftsuniversität Wien	221
Dynamic Hierarchical N-Person Games Theory with Coalitions A.F. Kononenko, B.P. Krutov, Y.E. Chistiakov Computing Center of the USSR Academy of Sciences, Moscow	231
Approaching Core Solutions by Means of Continuous Bargaining S.D. Flåm, University of Bergen	239
Optimal Portfolio Selection as a Bargaining Game A. Bassetti, C. Torricelli University of Modena	249
A Note on the Dynamic Risk Sensitive Nash Games W. Krajewski, Systems Research Institutte, Polish Acad. Sci	260
Equilibrium Points in Constrained Minimization and Games F. Mignanego, Università di Genova G. Pieri, Università di Sassari	269
A Cooperative Game Governed by a Differential Inclusion M.S. Radjef, University of Bejaia	276
Regulation of Linear Quadratic Games P. Caravani, University of Aquila	283
The Time Consistency of the Optimality Principles in Non-Zero Sum Differential Games L.A. Petrosian, University of Leningrad	299