

Contents

1	Introduction	1
2	Some Solution Schemes and Game Properties	7
3	The Shapley Value and (Pre-)Kernel as a Fairness Concept	17
3.1	The Shapley Value as a Standard of Fairness	17
3.2	The (Pre-)Kernel as a Standard of Fairness	20
4	Fair Division in Cournot Markets	27
4.1	Oligopoly Situation and Games	27
4.1.1	Characteristic Functions	28
4.1.2	Some Properties of Cooperative Oligopoly Games	30
4.1.3	Computing the Cooperative Oligopoly Game	31
4.2	Axiomatic Treatment of the Shapley Value	33
4.2.1	Computing the Shapley Value	34
4.3	Axiomatic Treatment of the (Pre-)Kernel, and Nucleolus	36
4.3.1	Computing the Kernel/Nucleolus	38
4.3.2	Alternative Approach to Compute the Kernel/Nucleolus ...	40
4.4	General Discussion of the Fair Division Rules	45
5	Some Preliminary Results	47
5.1	The Moore-Penrose Matrix	48
5.2	The Fenchel-Moreau Conjugation	49
5.3	An Over-Determined System of Non-linear Equations	52
5.4	Identifying Equivalence Relations on the Payoff Space	57
6	A Pre-Kernel Characterization and Orthogonal Projection	63
6.1	A First Dual Characterization of the Pre-Kernel	64
6.2	Essential Properties of the Quadratic Function Induced	68
6.3	An Orthogonal Projection: A General Discussion	77
6.4	An Orthogonal Projection: A Formal Analysis	79
6.5	Vector Space of Balanced Excesses	87
6.6	Group Actions on the Bargaining Situations	99

6.7	Invariance Against a Change of Basis	107
6.8	Pre-Kernel Results w.r.t. the Orthogonal Projection	109
6.9	Application of the Results: Some Examples	113
7	Characterization of the Pre-Kernel by Solution Sets	121
7.1	The Minimum Value Function and the Fenchel Transform.....	122
7.2	Directional Improvement Property.....	127
7.3	A Dual Representation of Pre-Kernel.....	136
7.4	Vector Spaces of Balanced Excesses Reconsidered.....	138
7.5	A Non-replication Result.....	150
7.6	A Replication Result	153
7.7	Replication of the Covariance Under Strategic Equivalence Property	165
7.8	Results on the Structure of the Pre-Kernel	166
8	Algorithms for Computing the Pre-Kernel	169
8.1	A First Algorithm to Compute a Pre-Kernel Element	170
8.2	A Modified Algorithm to Compute a Pre-Kernel Element	187
8.3	A Directional Improvement Algorithm	190
8.4	Maximum Number of Iteration Steps.....	193
8.5	A Comprehensive Numerical Example	200
8.6	General Discussion of the Algorithms.....	207
8.7	Computing the Kernel of Zero-Monotonic Games.....	209
9	An Upper Dimension Bound of the Pre-Kernel	217
9.1	New Upper Dimension Bound of the Pre-Kernel	218
9.2	Refinement Result on the Maximum Number of Iteration Steps	222
10	Concluding Remarks	223
A	Pre-Kernel Computation: Empirical Results	225
	Bibliography	231
	Author Index	235
	Subject Index	237