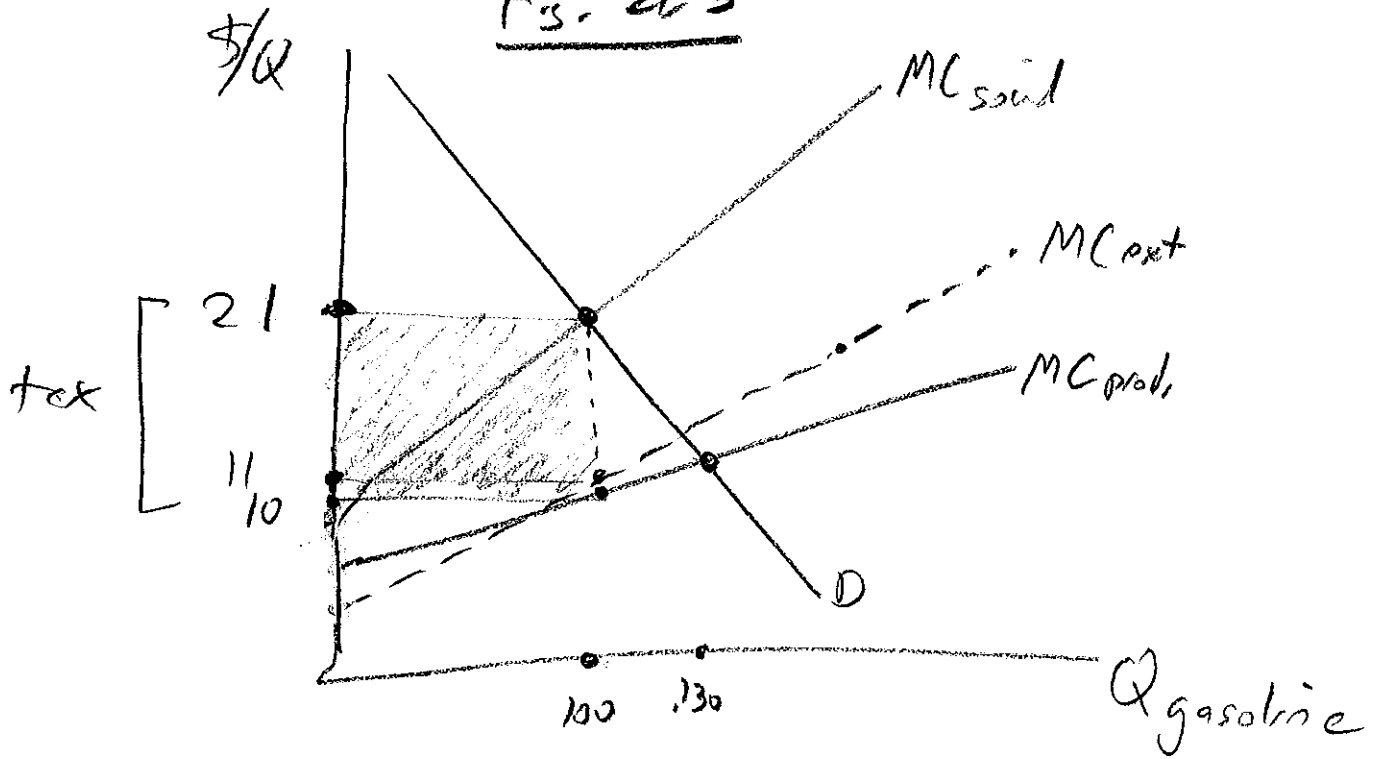
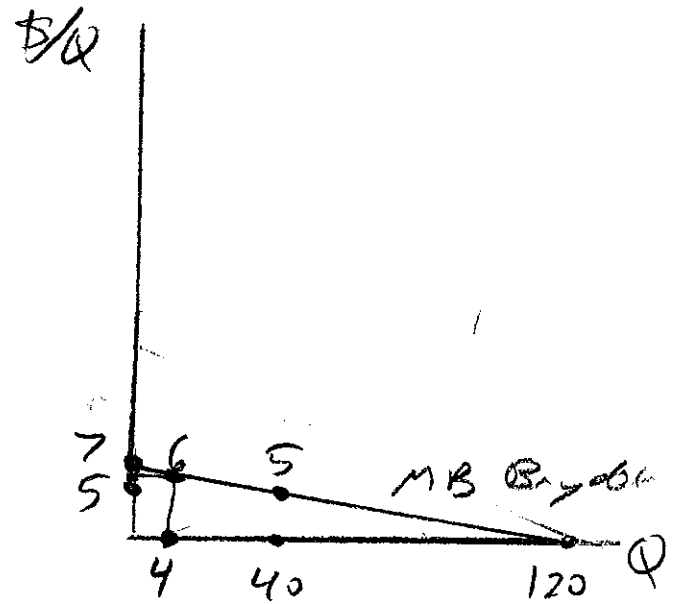
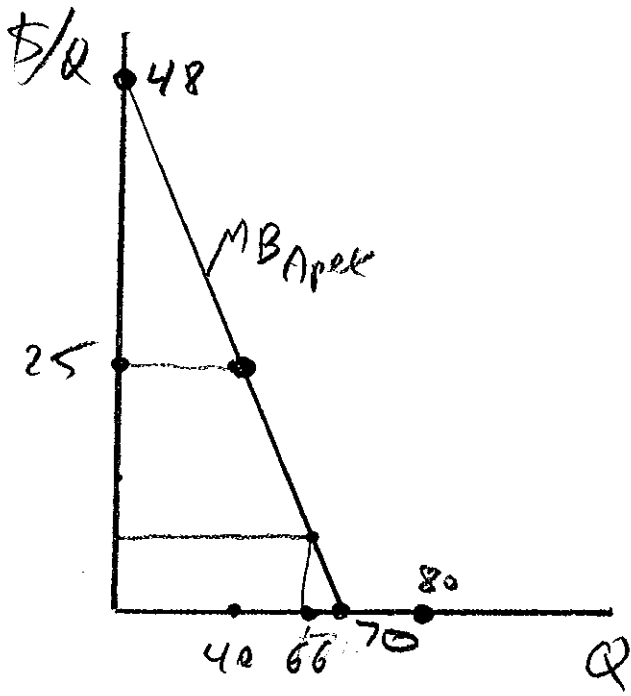


Fig. 263



1. Free market?
  2. Socially optimal?
  3. Set  $Q=100$ . What tax is needed?
- Tax revenue?  
Average externality from pollution?



1. Pollution with no regulation?
2. Pollution with  $Q=80$ , equal split?
3.  $Q=80$ , all one firm?
4.  $Q=40$  each, tradeable?