

If $P_1 = 9$ and $P_2 = 10$, the following table results.

$P_1 = 9, P_2 = 10$	Q_1	Q_2	Profit 1	Profit 2	Total
Optimal (Firm 1 shut down)	0	5			21
No Property Rights	4.5	2.75	12.25	3.57	15.82
Firm 1 Shut Down	0	5	0	21	21
<i>Property Rights</i>					
Polluter Pays	0	5	0	21	21
Victim Pays	0	5	12.25	8.75	21

1. Fill in the cells marked with question marks.
2. What is the dead weight loss due to the externality? $21 - 15.82 = 5.18$