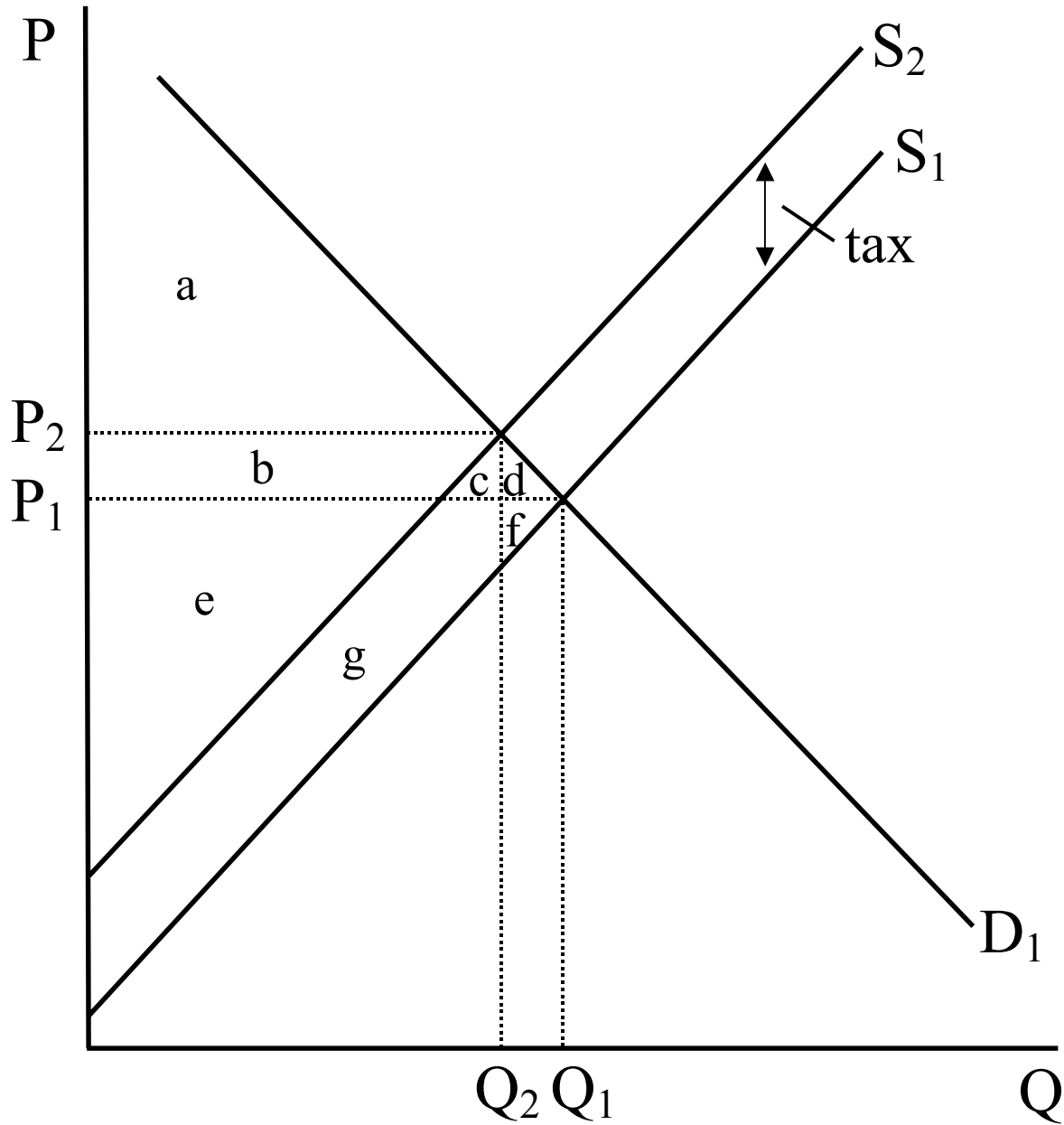


Welfare Analysis of a Tax



	<u>Free Market (Q_1)</u>	<u>Tax (Q_2)</u>
Consumer Surplus	$a+b+c+d$	a
Producer Surplus	$e+f+g$	$b+e$
Government Revenue		$c+g$
Total Surplus	$a+b+c+d+e+f+g$	$a+b+c+e+g$
Deadweight Loss		$d+f$