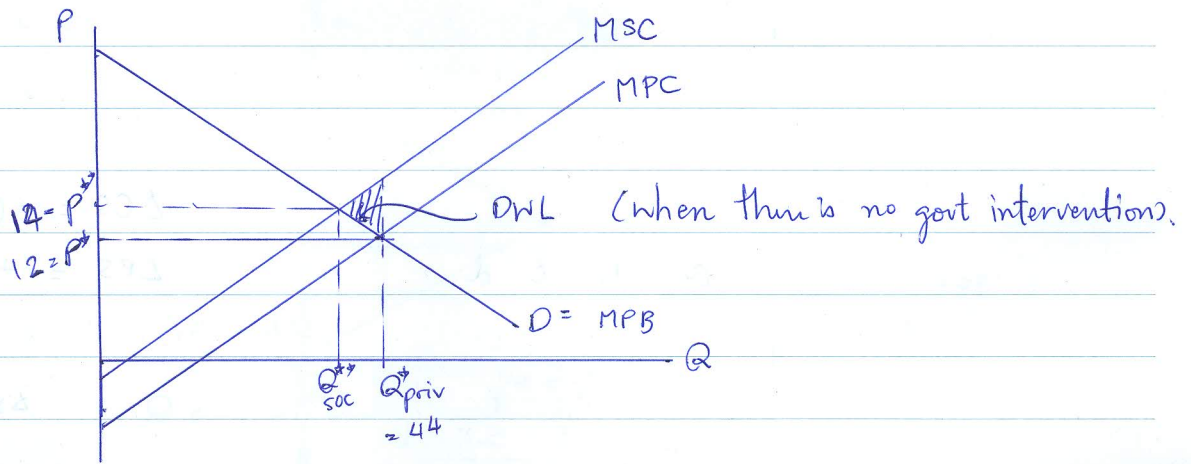
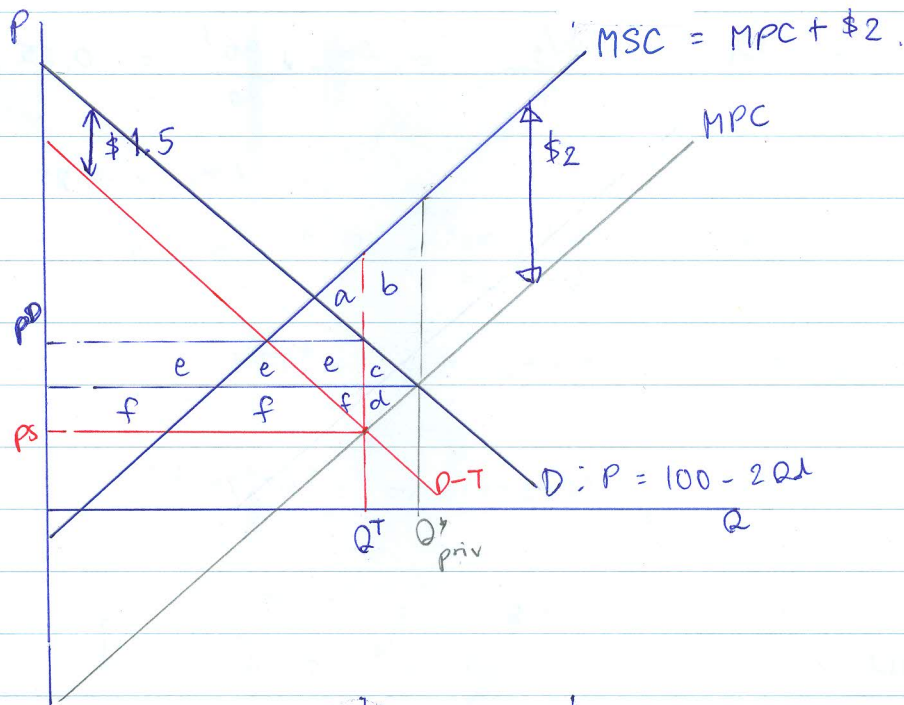


Q.2  
(b)



(c)



Parties	Benefit	Cost
Alcohol consumers		e+c
" producers		f+d
Third party	b+e+d	
Gov't	e+f	
Net benefits	<u>b</u>	

∴ DWL reduces to a.

Net benefits of imposing \$1.5 per unit tax on consumption is the partial reduction in deadweight loss.