

Figure 1 Equilibrium when $d > 0$

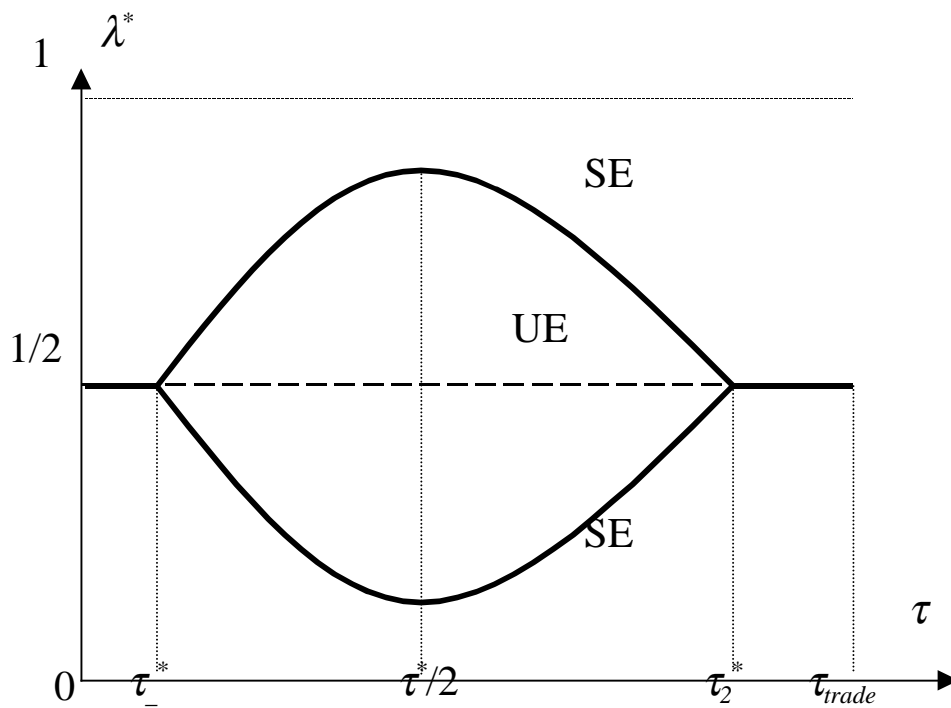


Figure 2 Equilibrium when $d = 0$

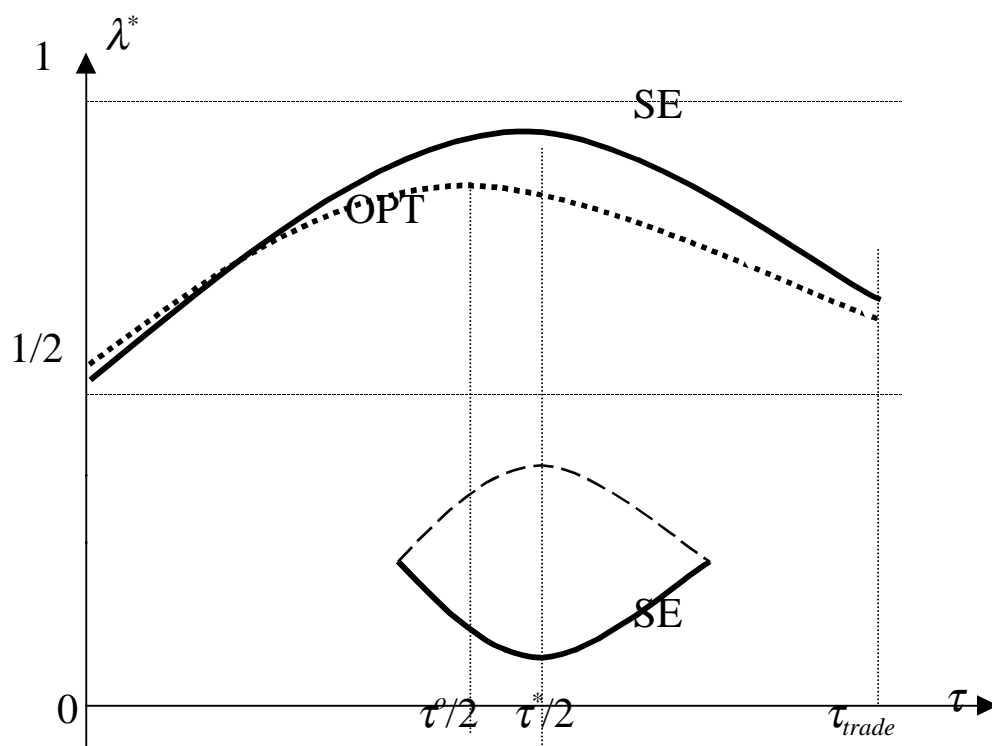


Figure 3(i) Equilibrium and social optimum when $d > 0$ and $B > 0$

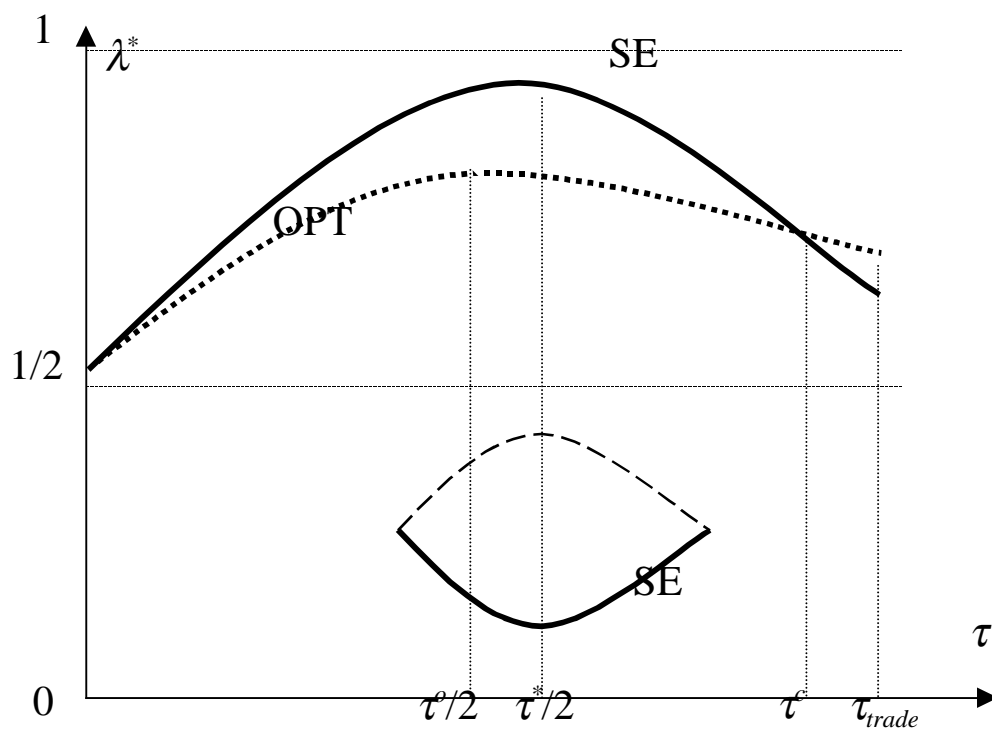


Figure 3(ii) Equilibrium and social optimum when $d > 0$ and $B < 0$