

# PROPERTY RIGHTS ON RESOURCES

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March 7, 2012

Preliminary and incomplete version

## Abstract

I consider the problem of assigning property rights on resources when users differ by their access. An allocation of property rights leads to a distribution of the welfare from resource trading and consumption. The welfare distribution should satisfy two criteria. First, all group of users enjoy at least what it would get under free-access. Second, no group of users enjoy more than what it would get under exclusive access. The two criteria are satisfied if each user is assigned the efficient allocation of resources without trading. Moreover, the two criteria forbid any net trade among group of users with different marginal benefits from resource consumption. When users have same benefit from resource consumption, resources might be traded only among users with same consumption levels. In this case, the no trade solution is also the more egalitarian solution which satisfy the free-access lower bounds.

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