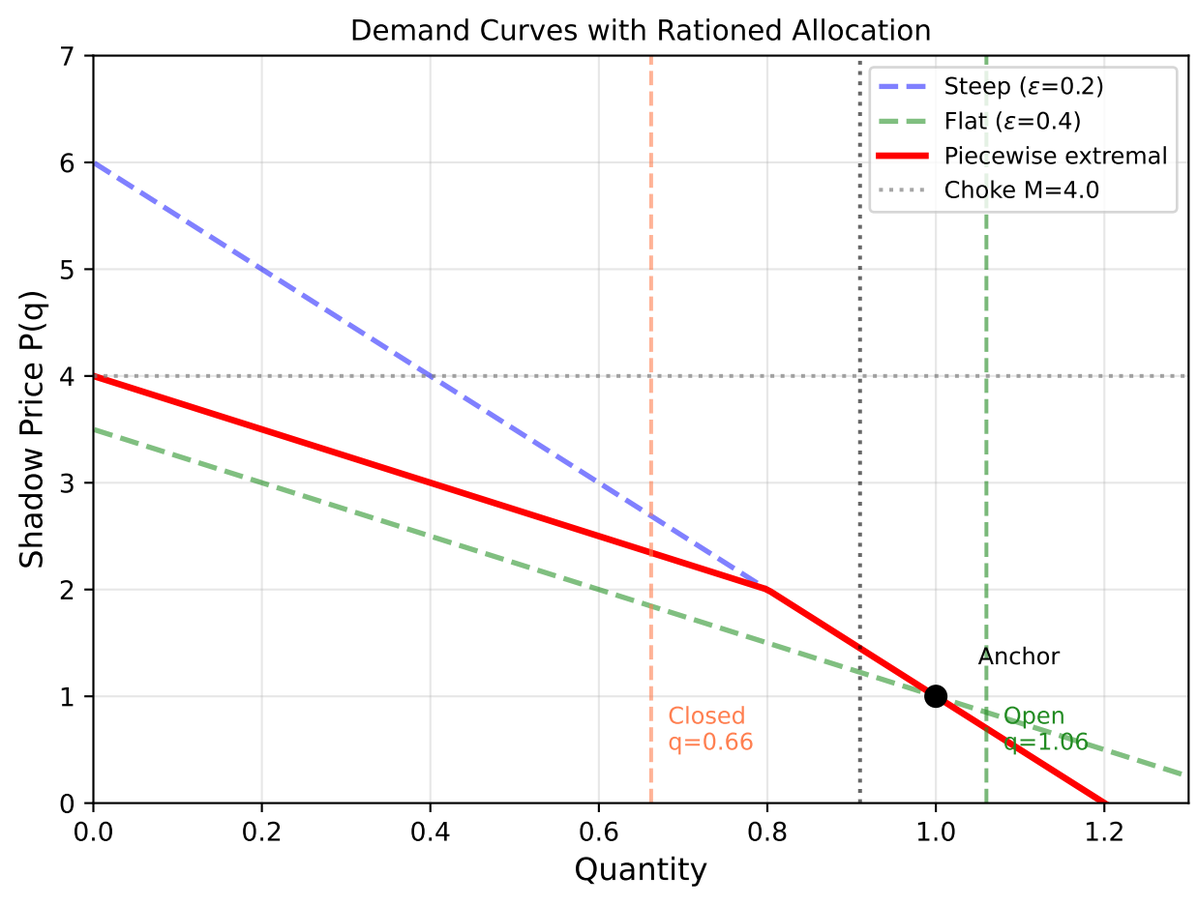
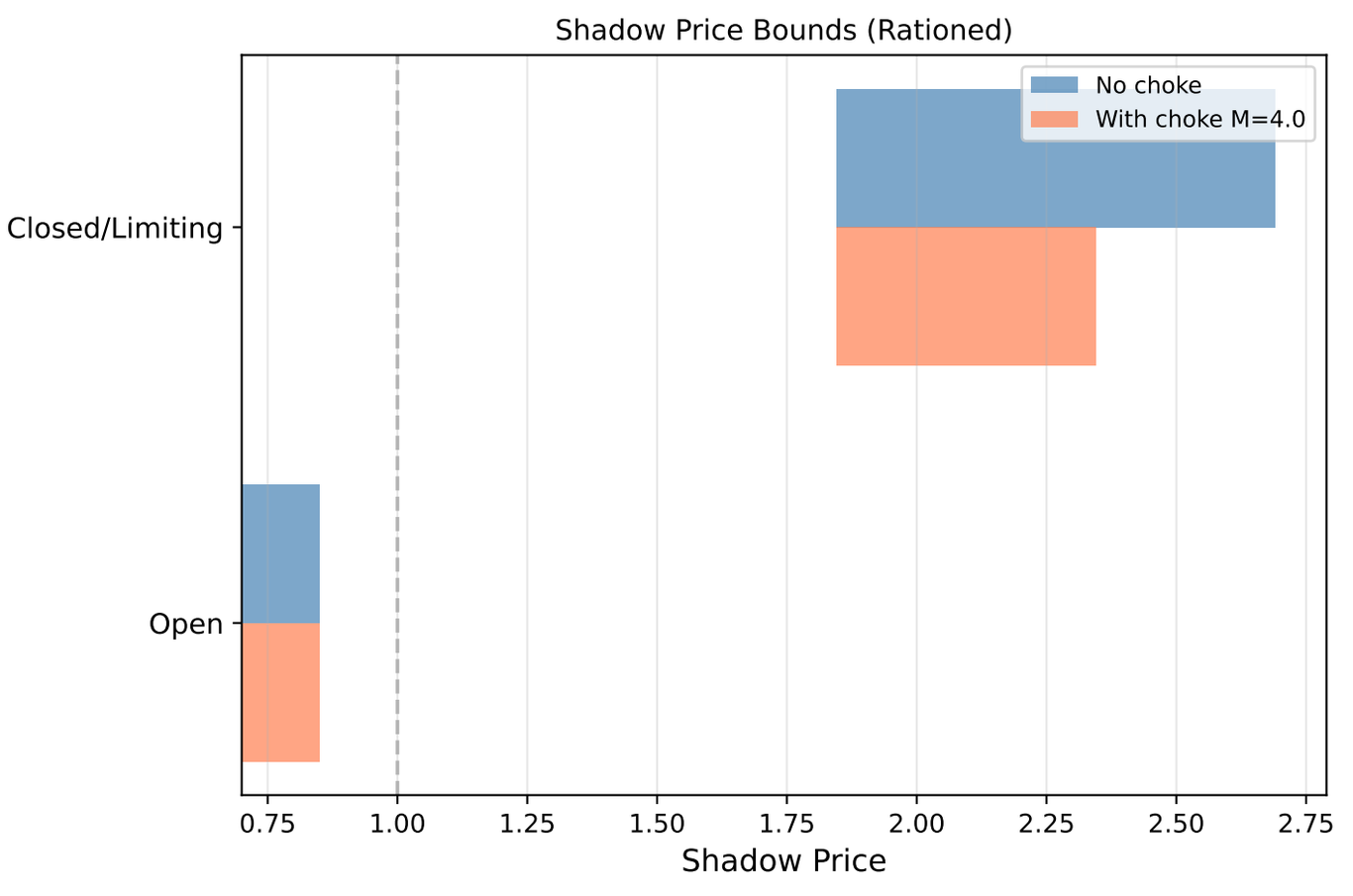

Demand Curves with Rationed Allocation
Steep (ε=0.2)
Flat (ε=0.4)
Piecewise extremal
Choke M=4.0
Anchor
Closed
q=0.66
Open
q=1.06
Shadow Price P(q)
Quantity
0
1
2
3
4
5
6
7
0.0
0.2
0.4
0.6
0.8
1.0
1.2


Shadow Price Bounds (Rationed)
No choke
With choke M=4.0
Closed/Limiting
Open
Shadow Price
0.75
1.00
1.25
1.50
1.75
2.00
2.25
2.50
2.75