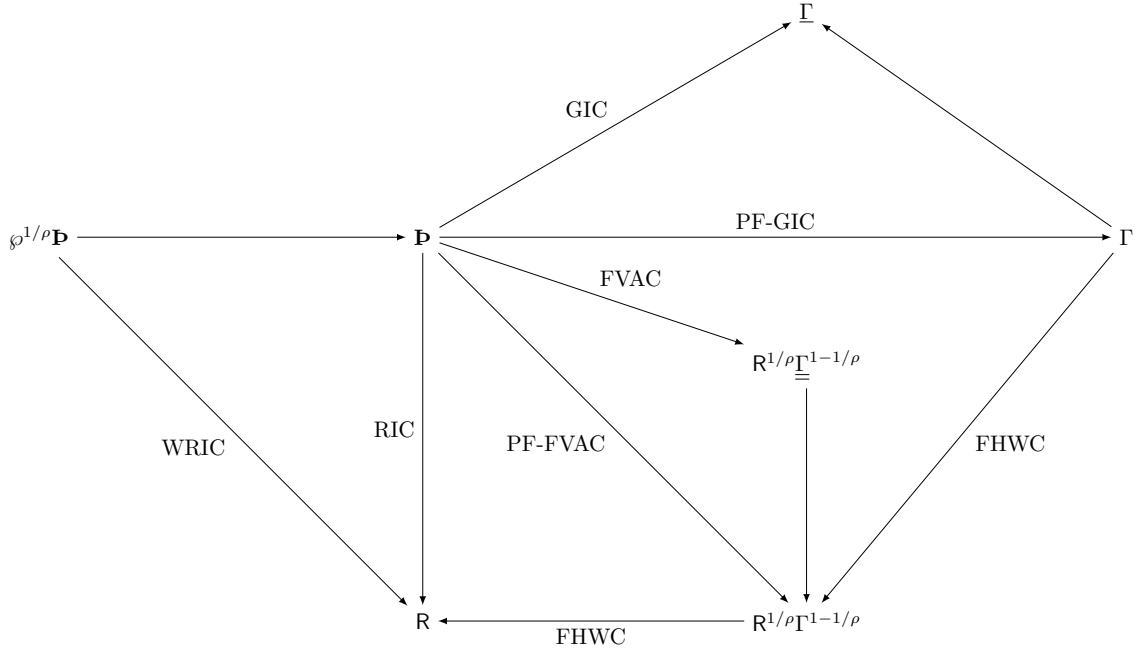


**Figure 1** Relation of PF-GIC, FHC, RIC, and PF-FVAC

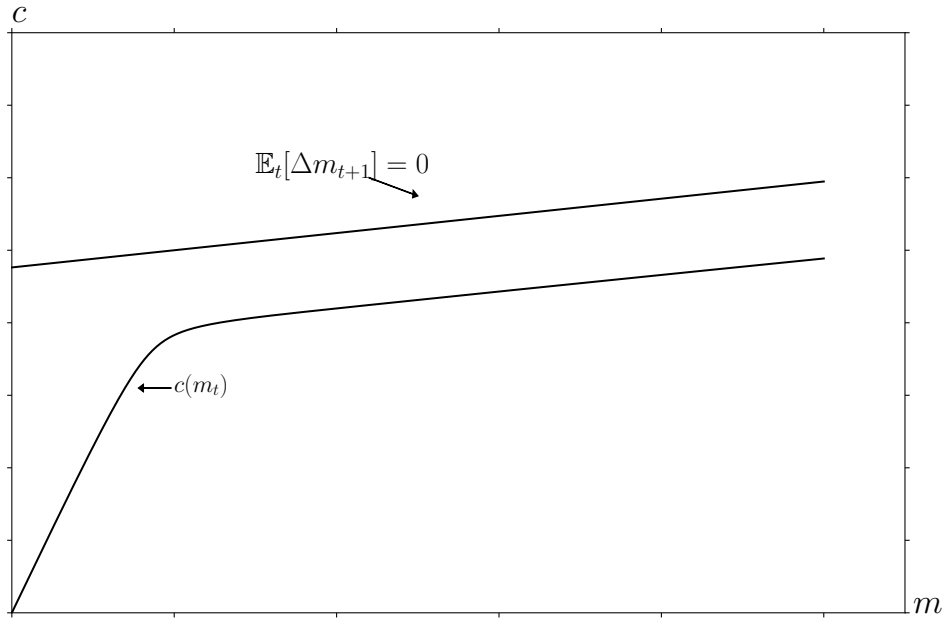
Arrows reflect the direction of the relationship; an arrowhead points to the larger of the two quantities being compared. For example, the topmost arrow, pointing from  $\mathbf{D}$  to  $\Gamma$  indicates that  $\Gamma > \mathbf{D}$ .



**Figure 2** Convergence of the Consumption Rules



**Figure 3** Relation of All Inequality Conditions



**Figure 4** Example Solution when FVAC Holds but GIC Does Not



**Figure 5** Target  $m$ , Expected Consumption Growth, and Permanent Income Growth



**Figure 6** Limiting MPC's



(a) Bounds



(b) Target  $m$

**Figure 7** The Consumption Function



**Figure 8** Nondegenerate Consumption Function with ~~EHWC~~ and ~~RIC~~