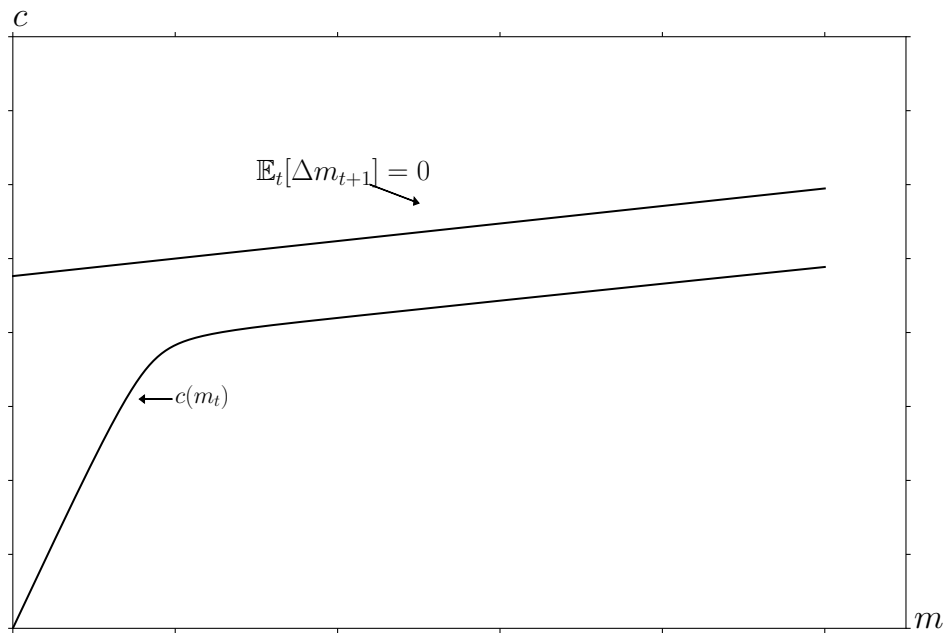
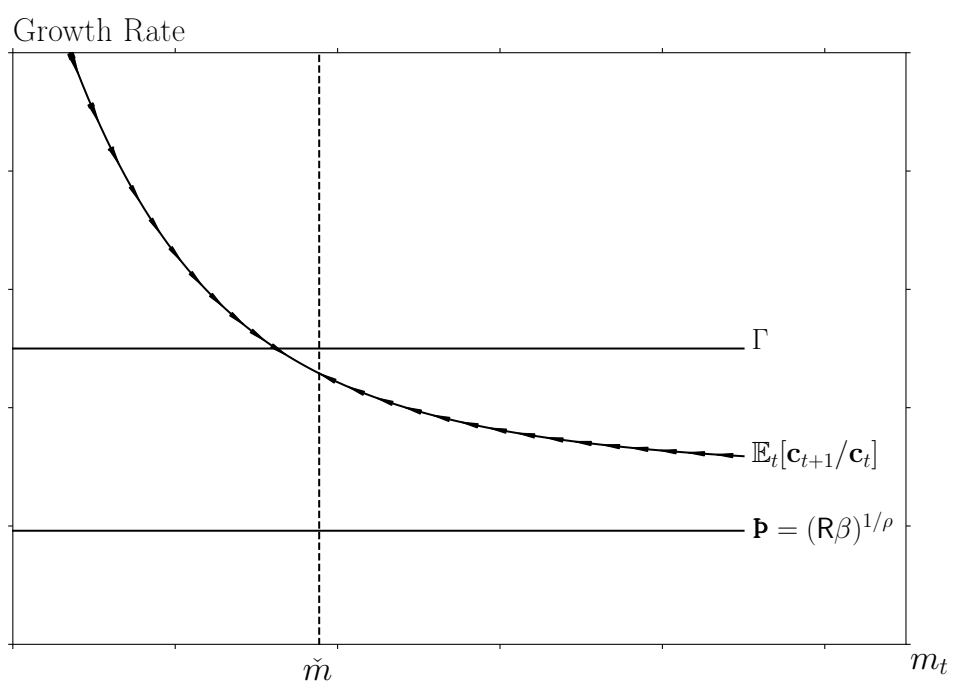


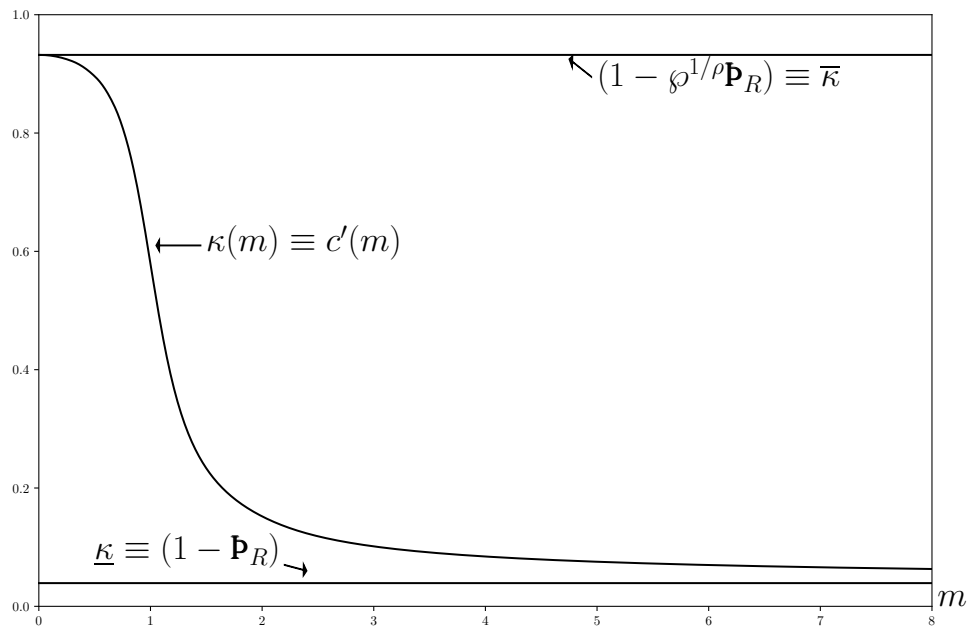
**Figure 1** Convergence of the Consumption Rules



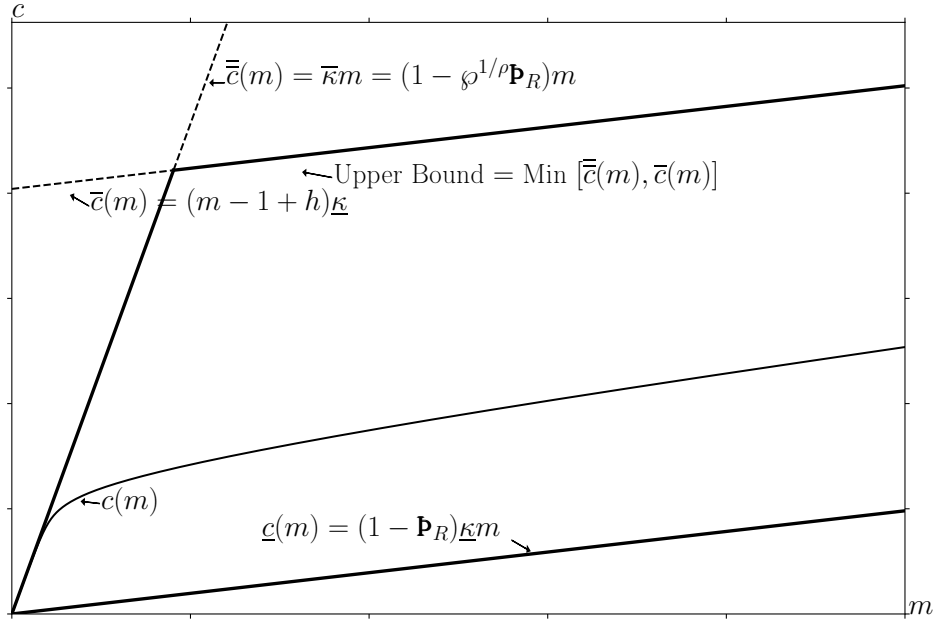
**Figure 2** Example Solution when FVAC Holds but GIC Does Not



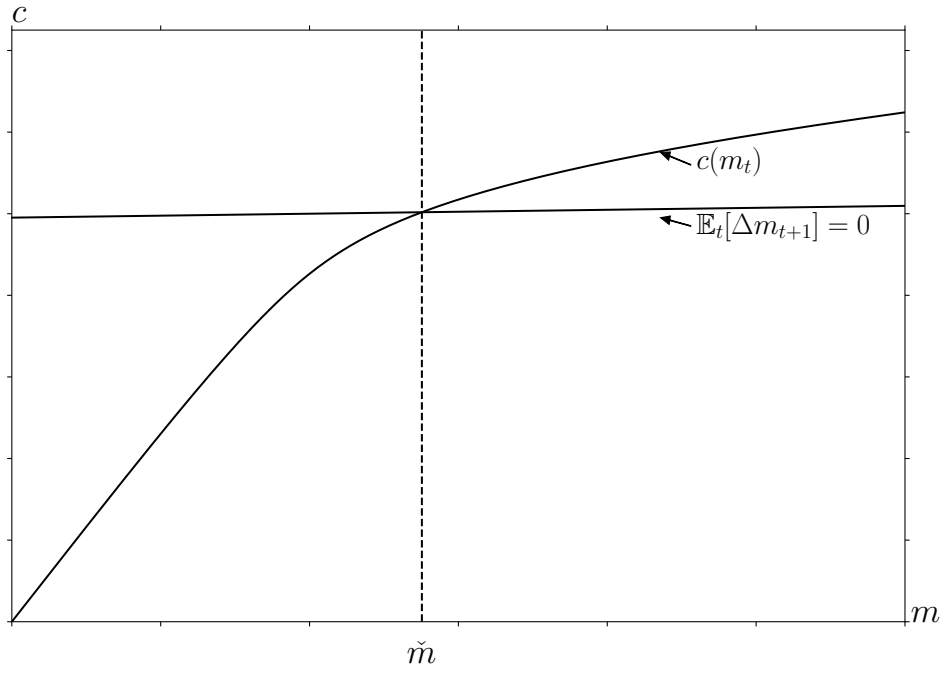
**Figure 3** Target  $m$ , Expected Consumption Growth, and Permanent Income Growth



**Figure 4** Limiting MPC's

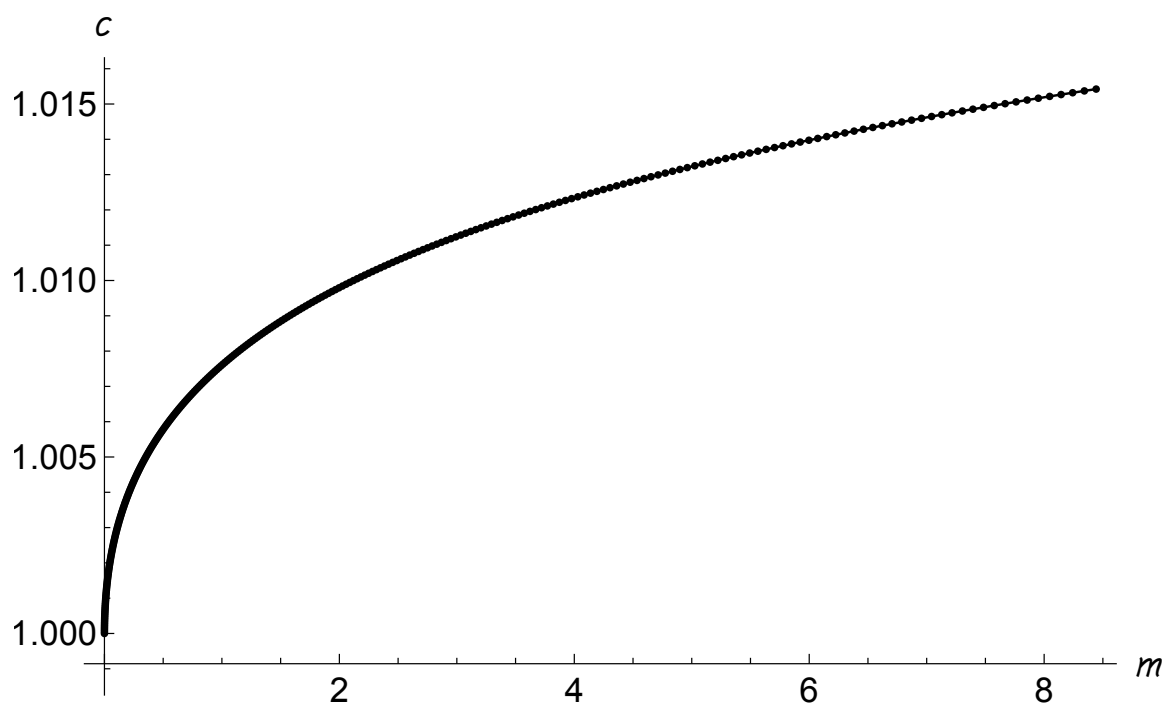


(a) Bounds



(b) Target  $m$

**Figure 5** The Consumption Function



**Figure 6** Nondegenerate Consumption Function with ~~EHWC~~ and ~~RIC~~