

$$p u(x_g) + (1 - p)u(x_b) = \text{const.}$$

better allocations 

$(m, m - L)$

(x_g^*, x_b^*)

$$x_g = \frac{m - \gamma L}{1 - \gamma} - \frac{\gamma}{1 - \gamma} x_b$$

x_b