

Figure 1: The Basic Environment

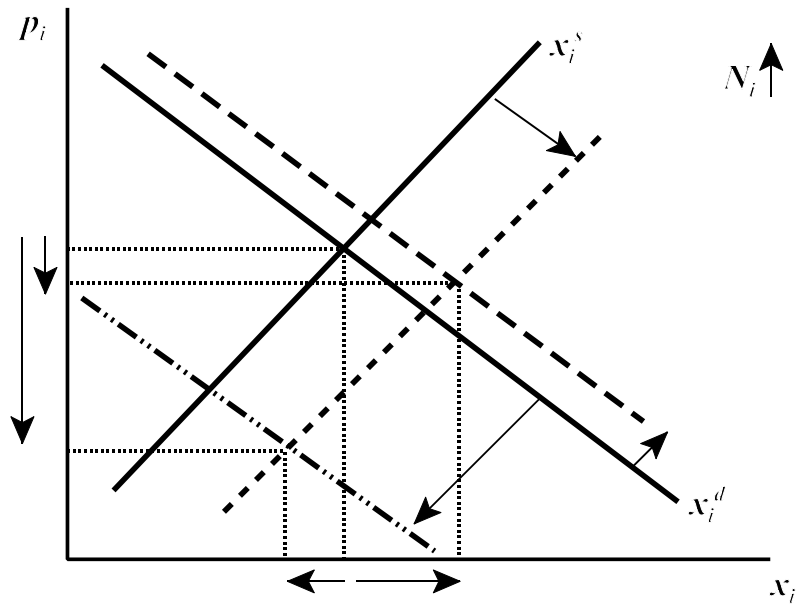


Figure 2: Middle Product Market Equilibrium



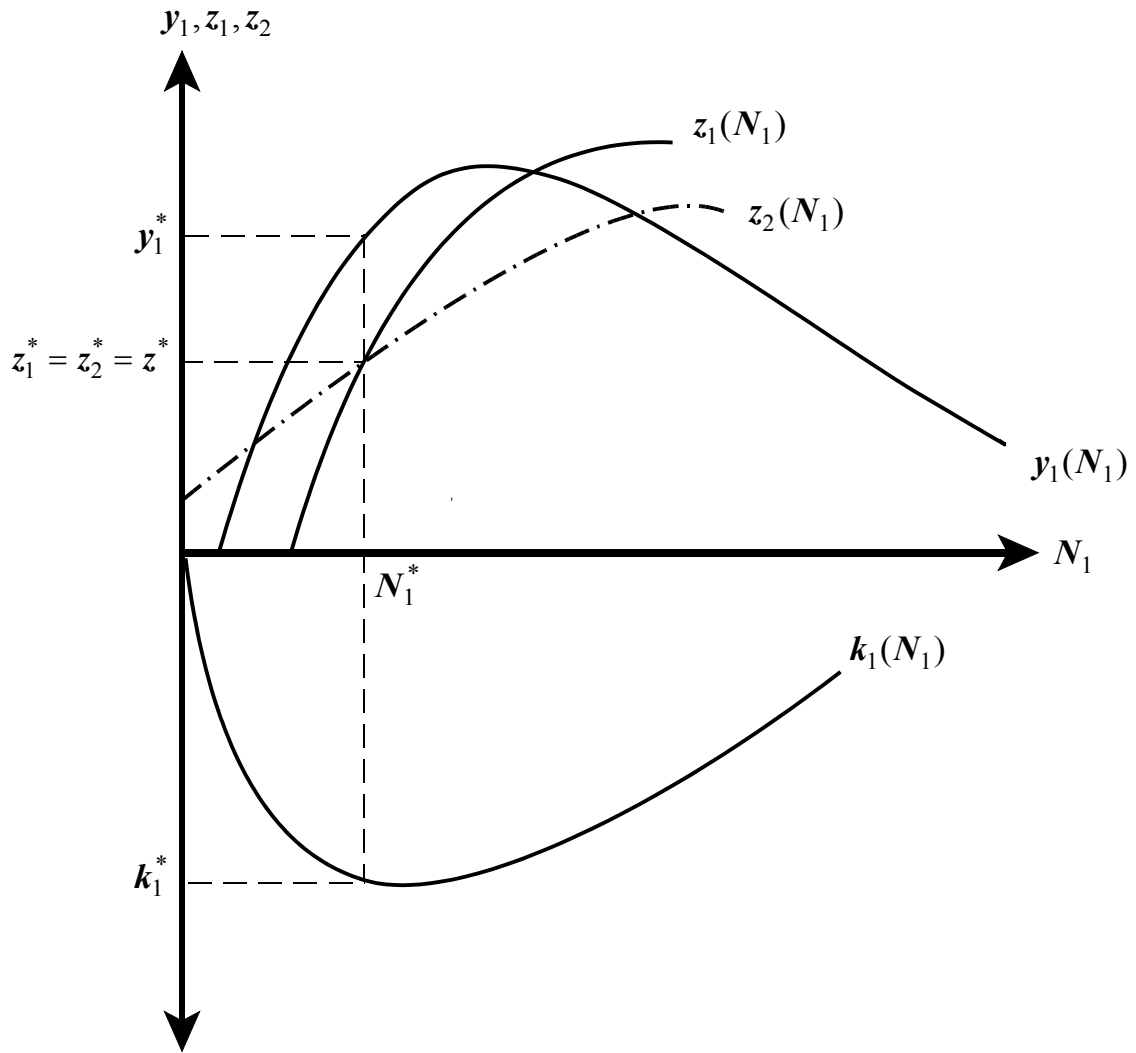


Figure 4: Determination of Steady-State Equilibrium