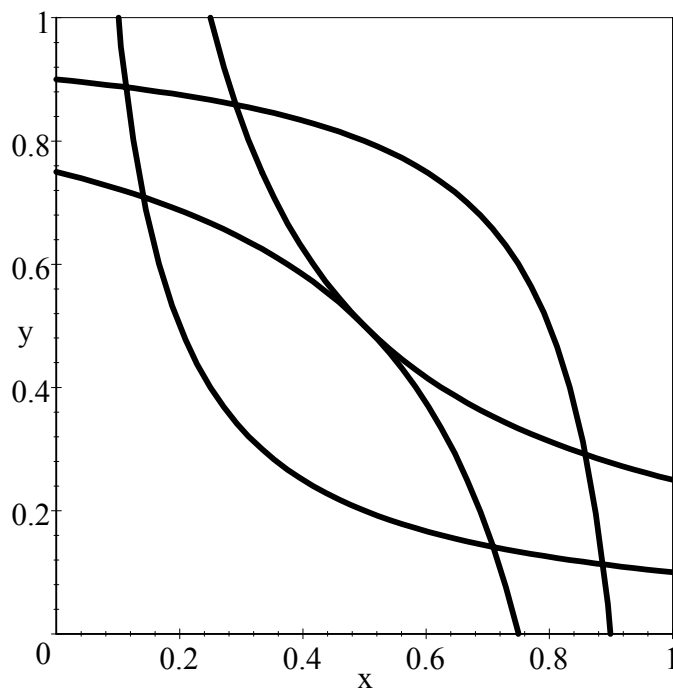


Pareto optimal allocations are ones for which there are no gains from trade. It is impossible to make one consumer better off without hurting the other consumer.



A Pareto Optimal Allocation in an Edgeworth Box