A contemporaneous re-assessment

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Slide 1

Table: Regional Wage Price Connections

Wages and Prices by Region			
Region	Avg. Wage	Price of tradable goods	Price of non-tradable goo
Region1	a	α_t	α_{nt}
Region2	b	β_t	β_{nt}
Region3	c	γ_t	γ_{nt}
Region4	d	δ_t	δ_{nt}
Region5	e	ϵ_t	ϵ_{nt}
Region6	f	ζ_t	ζ_{nt}
Region7	g	η_t	η_{nt}

$$\omega = \alpha + \pi_{-1} - \gamma \mathcal{U} + \delta\theta + (1 - \delta)A + \eta \qquad (1)$$
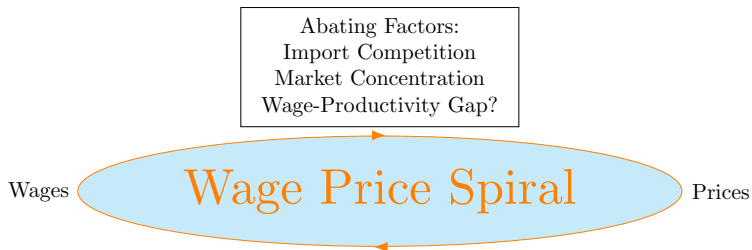
Figure1

Figure2