RESEARCH SEMINAR IN INTERNATIONAL ECONOMICS

School of Public Policy The University of Michigan Ann Arbor, Michigan 48109-1220

Discussion Paper No. 439

Market Potential, Increasing Returns, and Geographic Concentration

(Figures only. Text is in separate file.)

Gordon H. Hanson University of Michigan and NBER

May, 1999

Recent RSIE Discussion Papers are available on the World Wide Web at: http://www.spp.umich.edu/rsie/workingpapers/wp.html

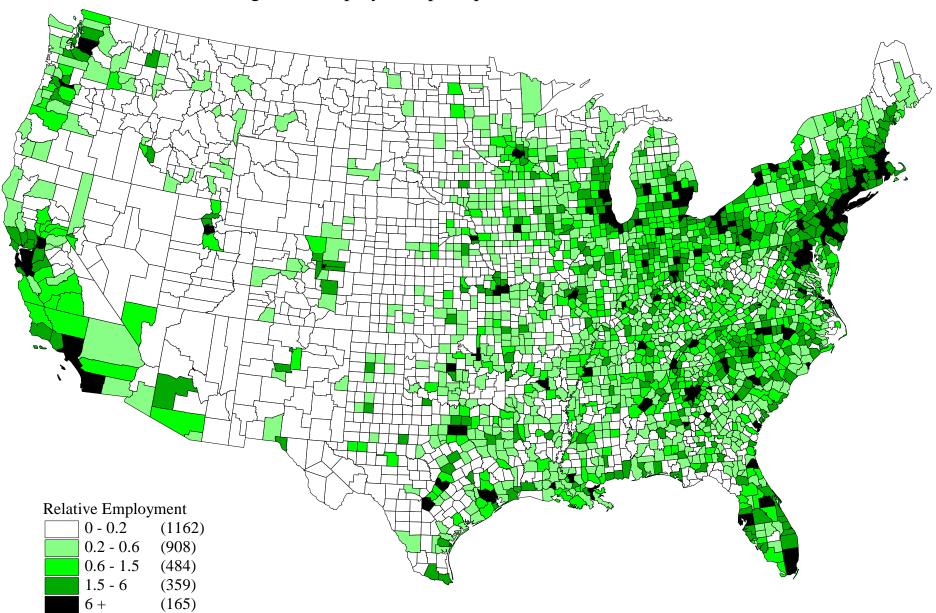


Figure 1: Employment per sq. km Relative to U.S., 1990

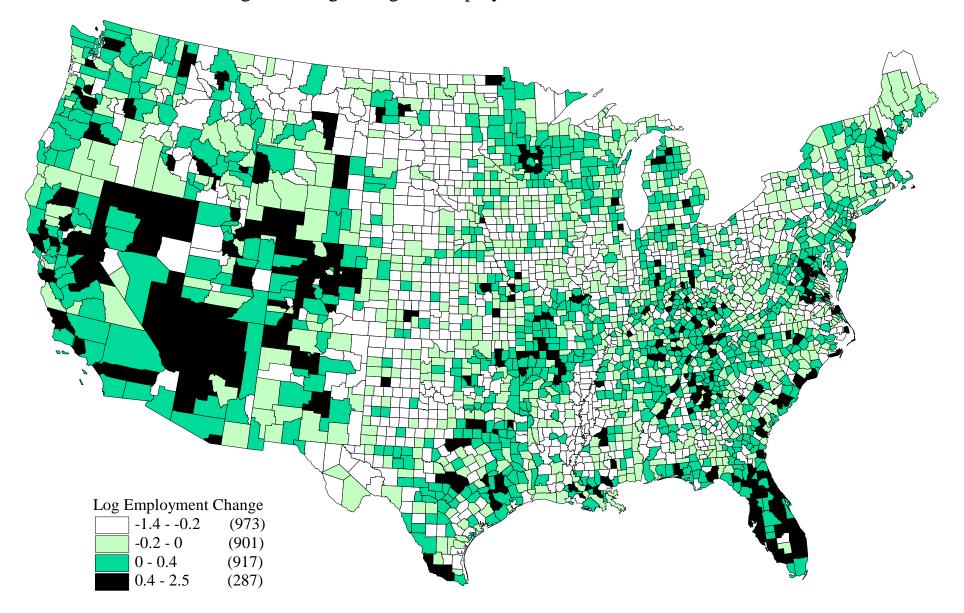


Figure 2: Log Change in Employment Relative to U.S., 1970-1990

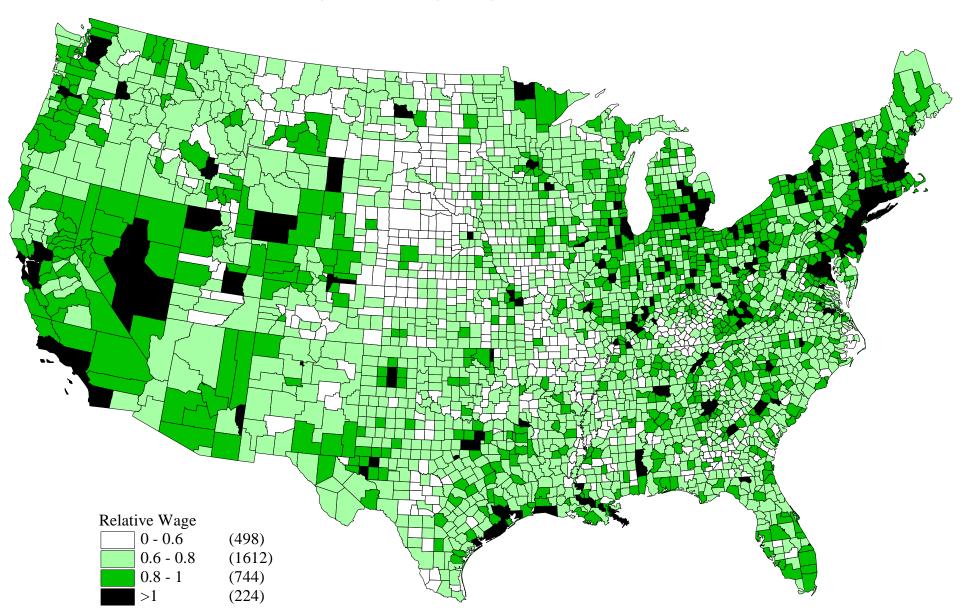


Figure 3: Average Wage Relative to U.S., 1990

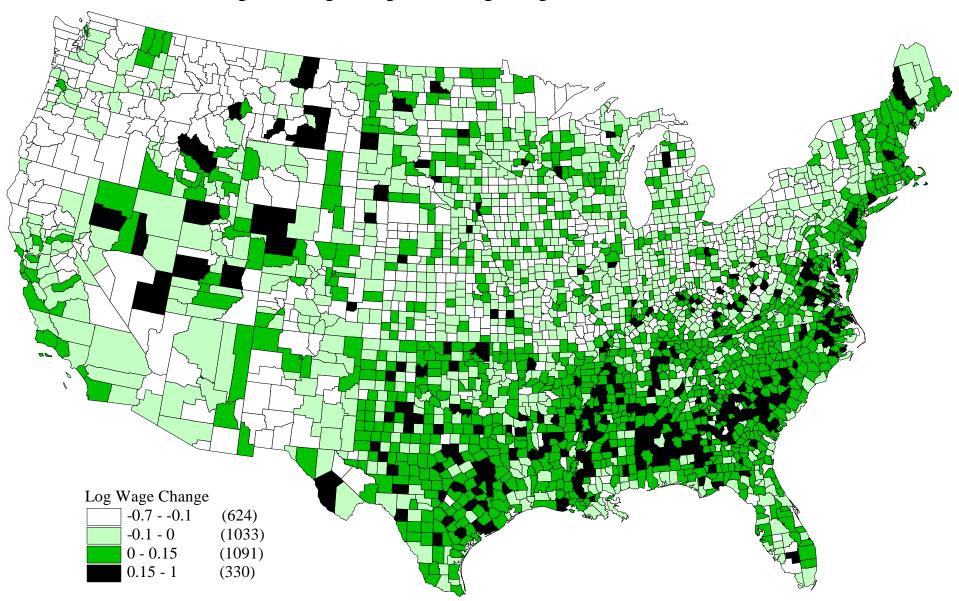


Figure 4: Log Change in Average Wage Relative to U.S., 1970-1990

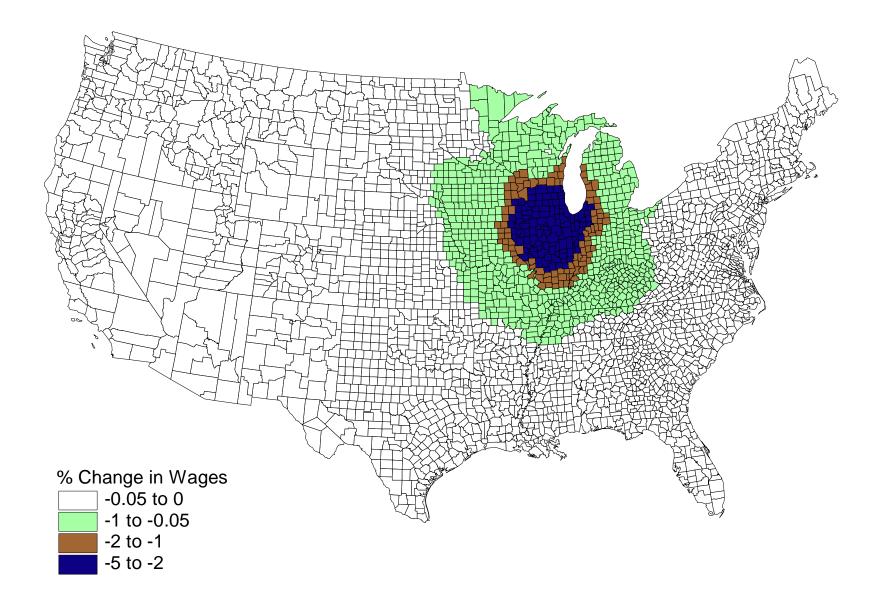


Figure 5: Simulated Wage Changes from Income Shock to Illinois, 1980-1990

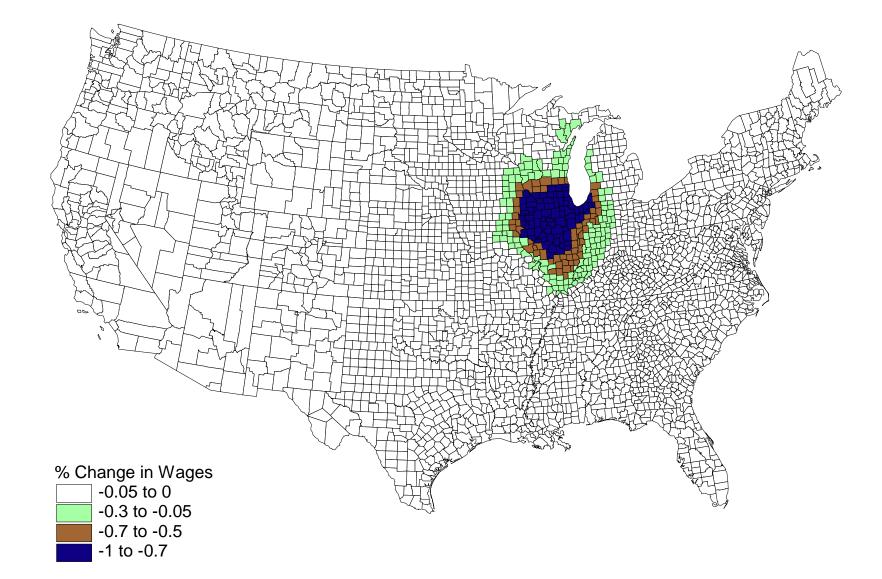


Figure 6: Simulated Wage Changes (Krugman Model), 1980-1990