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Variable	Coefficient	Standard Error	t-Statistic	p-Value
ln(GDP/capita)	0.15	0.02	7.5	< 0.001
ln(Density)	0.08	0.01	8.0	< 0.001
ln(Schooling)	0.12	0.01	12.0	< 0.001

The results of the regression analysis are consistent with the theory of human capital. The positive relationship between the real wage rate and the real GDP per capita, population density, and average years of schooling suggests that higher income, higher population density, and higher education levels are associated with higher real wages.

The following table shows the results of the regression analysis. The dependent variable is the natural logarithm of the real wage rate. The independent variables are the natural logarithm of the real GDP per capita, the natural logarithm of the population density, and the natural logarithm of the average years of schooling. The results show that the real wage rate is positively related to the real GDP per capita, population density, and average years of schooling.

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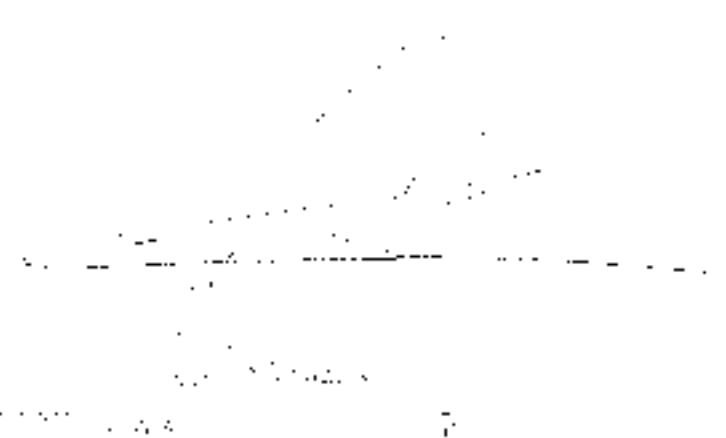


Figure 1



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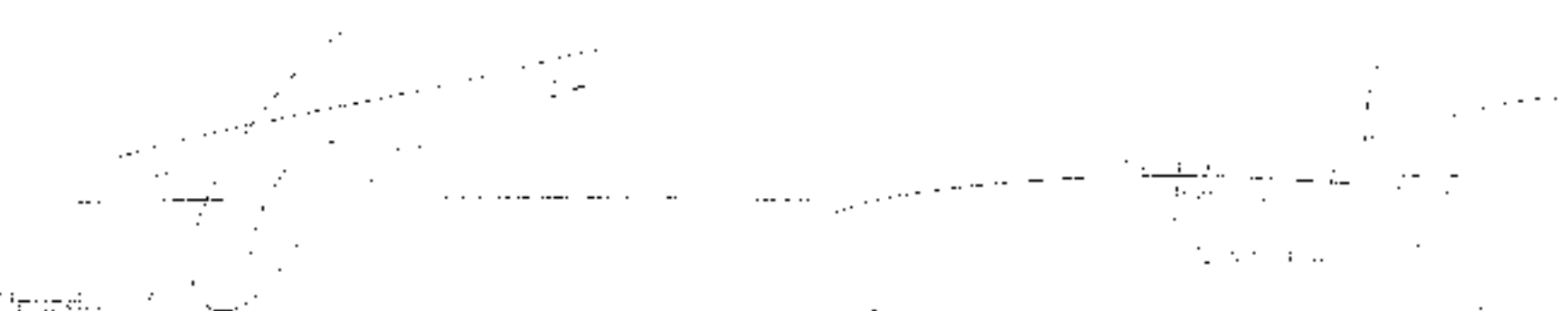


FIGURE 1