

The figures are taken from Barth, E., & Moene, K. O. (2016). The equality multiplier: How wage compression and welfare empowerment interact. *Journal of the European Economic Association*, 14(5), 1011-1037.

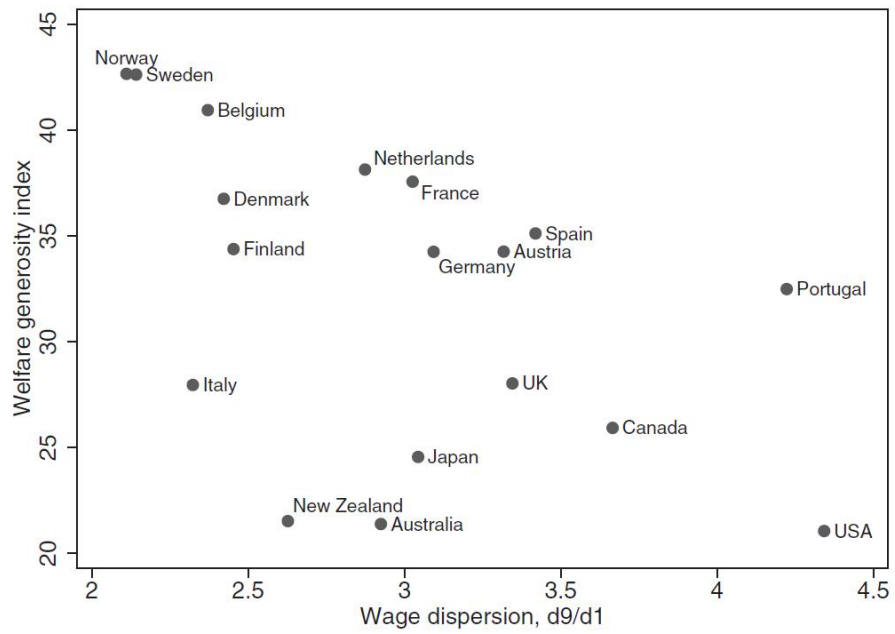


FIGURE 1. Inequality and welfare generosity across countries, 1975–2010. Average values (with gaps for some countries). Welfare generosity index from Scruggs (2014), wage dispersion from OECD, pre-tax hourly wages. See Appendix D for details.

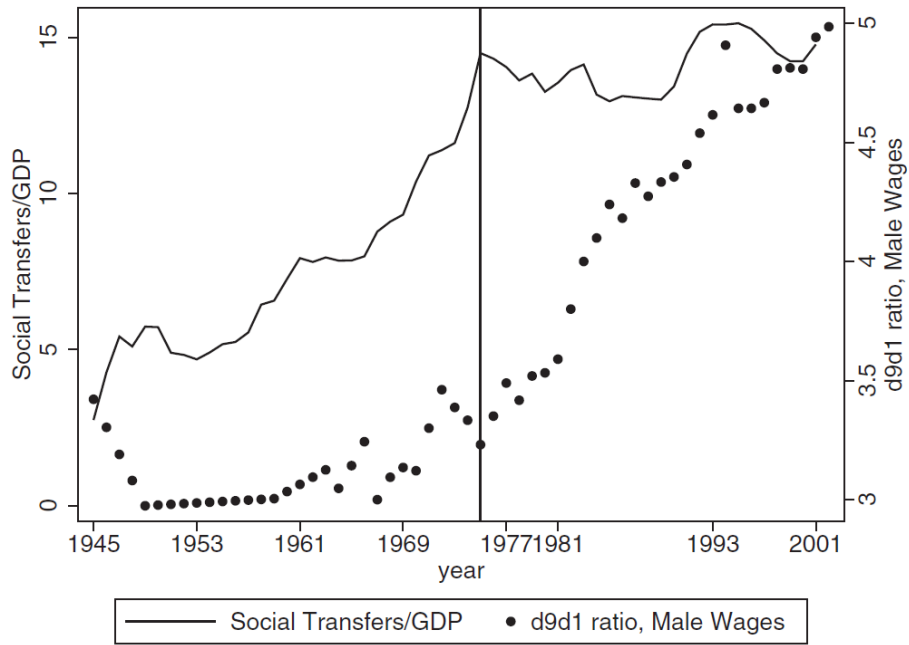


FIGURE 2. US welfare generosity and wage inequality 1945–2002. Social transfers 1945–1959, Historical Statistics of the United States, Millennial edition (includes social insurance, public aid, health and medical programs, veterans programs, housing and other social welfare programs); 1960–2001 from the OECD Lindert–Allard Data Set (2009); d9d1 ratio, Male Wages from Goldin and Katz (2007).

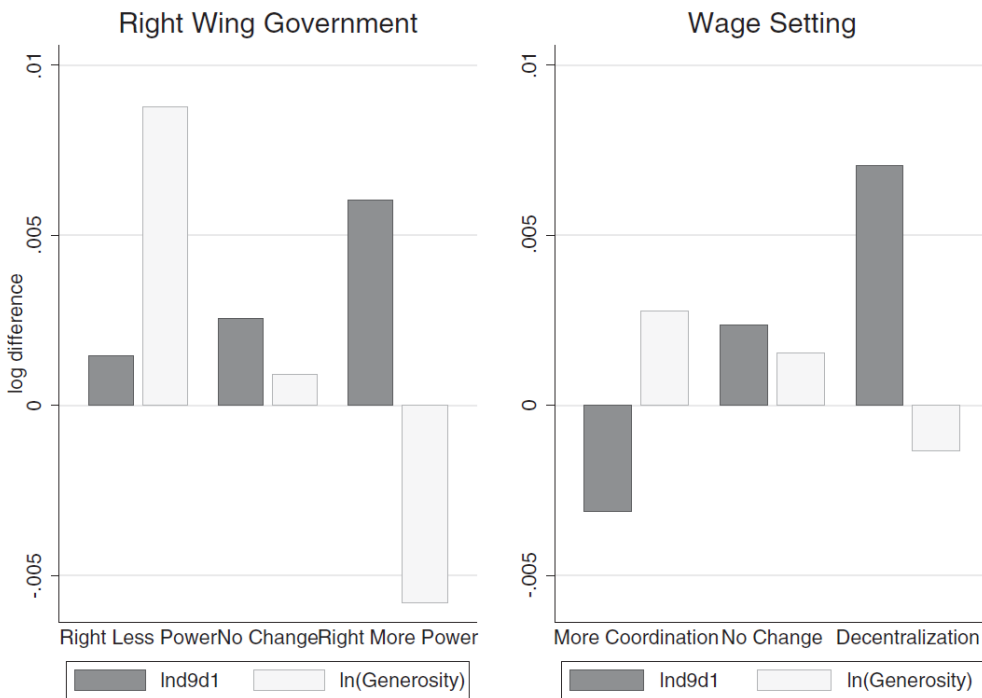


FIGURE 3. Yearly change in wage inequality and welfare generosity. 1975–2010 with gaps for some countries. Welfare generosity index from Scruggs (2014), wage dispersion from OECD, pre-tax hourly wages, wage setting indicators constructed from Visser (2014) and right-wing power from Armingeon (2013). See Appendix D.