

Appendix Table 1:

US Level Time Series Regressions of Change in Federal Taxes Per Capita, Federal Spending Per Capita, UI Spending On Change in GDP Per Capita or Change in Unemployment Rate

Notes: Years included are 1983-2010. Columns (6)-(10) exclude the Great Recessions Years of 2008-2010. Data on federal taxes, spending are taken from National Income Accounts via FRED. Unemployment Insurance (UI) spending data are from the Consolidated Federal Funds Report. "Balance" is equal to taxes minus spending.

	(1) Balance	(2) taxes	(3) spending	(4) UI_spending	(5) UI Spending
Change in GDP per Capita	0.833*** (0.116)	0.551*** (0.0640)	-0.282*** (0.0791)	-0.0698*** (0.00883)	
Change in Unemployment Rate					53.14*** (4.586)
Constant	-1,106*** (156.6)	-490.9*** (86.31)	614.7*** (106.7)	93.93*** (11.90)	12.29*** (4.384)
	28 0.664	28 0.740	28 0.329	28 0.707	28 0.838

	(6) Balance	(7) taxes	(8) spending	(9) UI_spending	(10) UI Spending
Change in GDP per Capita	0.329** (0.147)	0.470*** (0.108)	0.140** (0.0644)	-0.0330*** (0.0113)	
Change in Unemployment Rate					34.62*** (4.832)
Constant	-426.7** (201.4)	-375.7** (147.7)	50.91 (88.11)	42.81** (15.52)	7.040** (3.347)
	25 0.179	25 0.451	25 0.171	25 0.269	25 0.691

Standard errors in parentheses
 *** p<0.01, ** p<0.05, * p<0.1

Appendix Table 2:

Change In Federal Taxes and Spending Per Capita Regressed on Change in State Level Per Capita Income 1996-2007 (i.e. Excluding Great Recession Years)

	(1) Net Spending	(2) Taxes	(3) Spending	(4) UI Spending
Change in Personal Income per capita	-0.267*** (0.0727)	0.260*** (0.0607)	-0.00710 (0.0457)	-0.00242** (0.00120)
Constant	320.4 (246.2)	220.3 (165.1)	540.6*** (174.2)	2.614 (3.301)
	1176 0.225	1176 0.296	1176 0.089	1176 0.683

State level annual data 1996-2008. Robust standard errors in parentheses. Net Spending is spending minus taxes. UI is Unemployment Insurance spending. *** p<0.01, ** p<0.05, * p<0.1

Appendix Table 3:

2005 Level of Federal Taxes and Spending Per Capita Regressed on 2005 State Per Capita Income

	(1)	(2)	(3)
	Balance	Taxes	Spending
Personal Income per Capita	-0.396*** (0.0803)	0.395*** (0.0509)	-0.000970 (0.0453)
Constant	13,475*** (2,625)	-13,442*** (1,673)	32.99 (1,473)
	49 0.268	49 0.473	49 0.000

Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1. Excludes Delaware due to large amount of Federal tax paid by corporations legally based in Delaware.

Appendix Table 4:

Change in EU Spending and Contributions Per Capita Regressed on change in GDP Per Capita

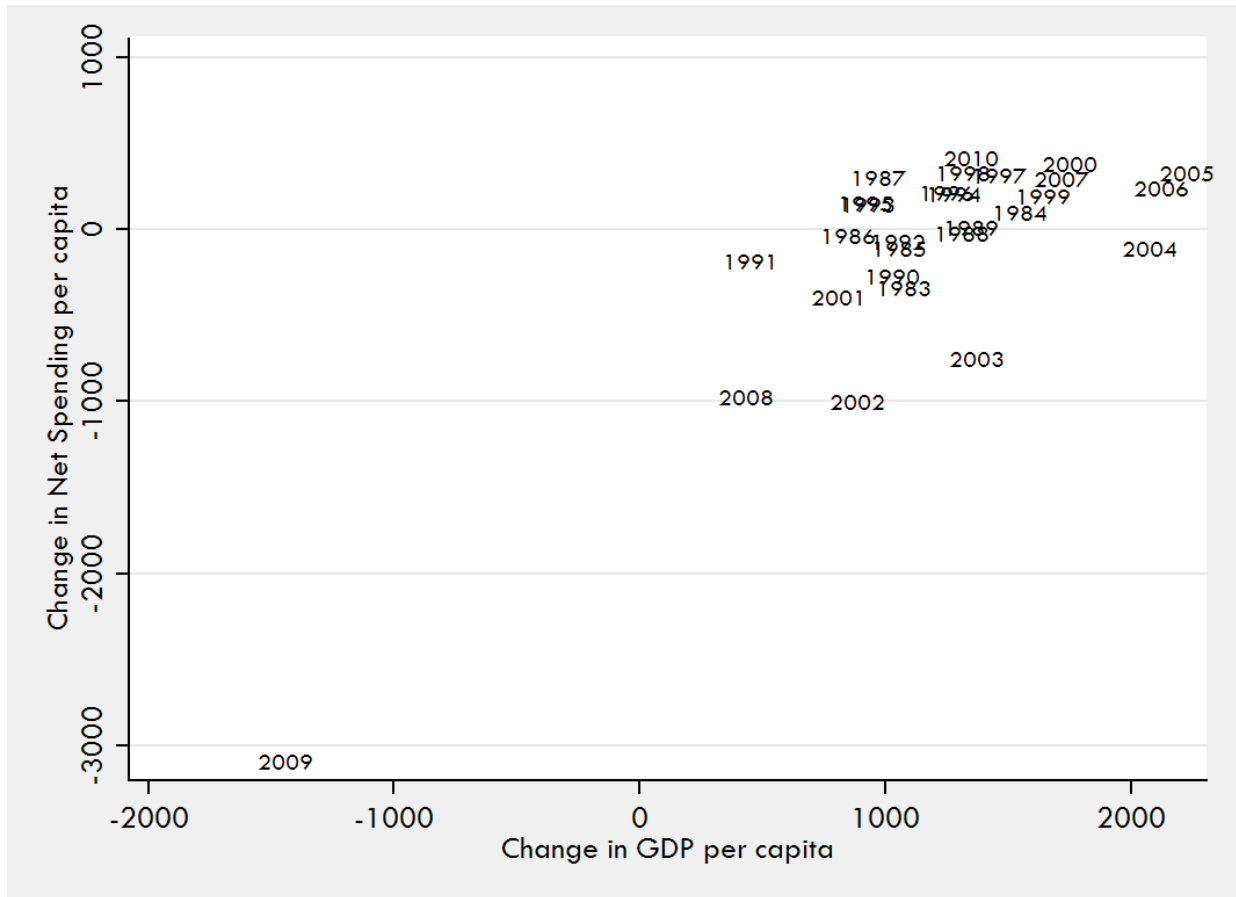
	(1)	(2)	(3)
	balance	spending	contribution
Change in GDP per Capita	-0.00634 (0.00635)	0.00251 (0.00374)	0.00885** (0.00383)
Constant	-1.862 (22.74)	13.84 (22.27)	15.71* (8.801)
	156 0.031	156 0.032	156 0.146

Data are from Eurostat for 2011. Robust standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Appendix Figure 1

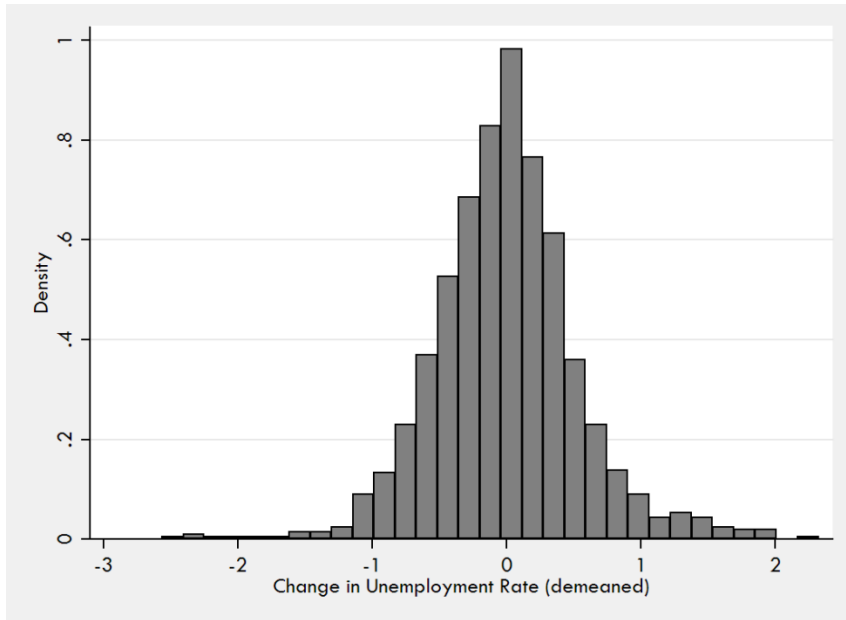
US Level Time Series Scatterplot of Change in Federal Taxes minus Spending Per Capita Against Change in GDP Per Capita



Appendix Figure 2

Histogram of US State Annual Unemployment Changes

Notes: These are annual changes having removed a fixed effect (US time series effect) for each year.



Appendix Figure 3

Histogram of EU Country Annual Unemployment Changes

Notes: These are annual changes having removed a fixed effect for each year.

