

Table 1: Proxies and sources by dimension included in the dataset

Dimension	Proxies	Sources
Economic growth	Output/income (real GDP) Population Labour Force Hours worked Total factor productivity (TFP)	PWT OECD stats World Bank - World Development Indicators
The welfare state	<ul style="list-style-type: none"> • Social (public and total) spending (total and by dimension: old age; survivors; incapacity related benefits; health; family; active labour market programmes; unemployment; housing; other social policy areas); as a percentage of GDP; per capita. • Institutional indicators manifested in social policy national legislation and regulations 	OECD Social expenditures database. European social statistics from Eurostat. Social Citizenship Indicator Program (SCIP). The Comparative Welfare Entitlements Dataset.
Human capital	<ul style="list-style-type: none"> • Years of schooling • Enrolment rates • Results in international assessment tests • Life expectancy • Mortality rates (total; male; female; infant) • Survival rates (total; male; female) • Consumption of calories. • Prevalence of undernourishment • Cognitive skills; • Rigorous education system (tracking age of students) • Index of Human capital 	Barro and Lee dataset OECD stats PISA World Health Organization (WHO) Eurostat Hanushek woessman PWT
Inequality	GINI index Other income inequality indexes (Atkinson; Theil) Income ratios Wealth inequality indexes Poverty indicators	OECD stats UNU-WIDER: WIID – World Income Inequality Database The World Inequality Lab The Standardized World Income Inequality Database Luxembourg Income Survey (LIS) Texas University Survey
Control variables	• Physical capital stock and accumulation	PWT OECD Stats

	<ul style="list-style-type: none"> • Population (total; under 15; 65 and over) • Labour market statistics (unemployment; employment; total; youth) • Measures of R&D intensity • Indicators measuring financial development • Indicators of the exposure of countries to foreign trade or globalisation in general • Indicators of Institutional Quality • Indicators of Market Regulation • Corruption • Political regime • Rule of law, civil rights and freedom 	World Bank - World Development Indicators Financial Development and Structure Dataset World Bank – Doing Business Indicators Transparency International (corruption) International Country Risk Guide. Polity IV (political regime) Comparative Political Data Set. Freedom House: Civil Liberties and Political Freedoms WBI Worldwide Governance Indicators International Budget Project Public Integrity Index WORLD PRESS FREEDOM INDEX KOF index of globalization Policy Volatility, Institutions, and Economic Growth Indicators of Product Market Regulation (OECD) OECD Indicators of Employment Protection Patents by main technology and by International Patent Classification (IPC)
Indicators of government size and financing	<ul style="list-style-type: none"> • Tax burden • Social security contributions • Government consumption • Government real fixed capital formation • Public deficit • Public debt 	PWT OECD Stats World Bank - World Development Indicators IMF AMECO Eurostat