**Appendix**

On Table 1, due to data availability, we used the closest available year where data were missing, favoring the preceding year and then the subsequent year. As such, Gini coefficients are from 1999 for Brazil, Honduras, and Paraguay, and 2009 for Bolivia, Brazil and Chile and 2011 for Guatemala; poverty statistics are from 1999 in Brazil, Honduras, and Paraguay, from 2009 in Bolivia, Chile, and Brazil, and from 2011 in Guatemala. The column for social expenditures as a percent of GDP uses data from 2003 for Paraguay and 2004 for El Salvador and Honduras, as well as data from 2008 for Panama and 2009 for Argentina and Brazil. Education expenditure data come from 1995 in Guatemala, 2011 in Panama and Uruguay, and 2013 in Costa Rica and the Dominican Republic. The poverty rate is defined as the percent of the population below $2 per day (at PPP).

On Table 2, we calculate benefits as a percent of minimum wage using minimum wage statistics from the ILO Global Wage Report.[[1]](#footnote-1) Minimum wage data were converted to US dollars using the exchange rates used by the World Bank’s World Development Indicators.

On Table 3, absolute redistribution refers to the percent reduction in the market Gini coefficient through taxes and transfers. Statistics are averaged from 2007-14. Informality measures the percent of workers who work as salaried workers in a small firm (with fewer than five workers), non-professional self-employment, or zero-income workers. Data come from household surveys for 2013, except Mexico (2012), Guatemala (2004), Nicaragua (2005), and Venezuela (2006). For the minimum years of contributions for full pension eligibility usually at age 65, the rules vary greatly across countries and several caveats apply. In many countries with long minimum contribution periods, workers who do not achieve the minimum are still eligible for smaller pensions or a refund of contributions made. Conversely, in countries with shorter minimum periods, pensions start low and increase with further years of contributions. Income tax averages for 2006-10. PISA rankings come from the math scores for 2012.[[2]](#footnote-2)

1. Available at [http://www.ilo.org/ilostat/GWR?\_afrLoop=392633945275864#%40%3F\_afrLoop%3D392633945275864%26\_adf.ctrl-state%3Dzbjhkou39\_4](http://www.ilo.org/ilostat/GWR?_afrLoop=392633945275864#@?_afrLoop=392633945275864&_adf.ctrl-state=zbjhkou39_4), accessed November 11, 2015. [↑](#footnote-ref-1)
2. Available at [www.oecd.org/pisa](http://www.oecd.org/pisa), accessed June 24, 2017. [↑](#footnote-ref-2)