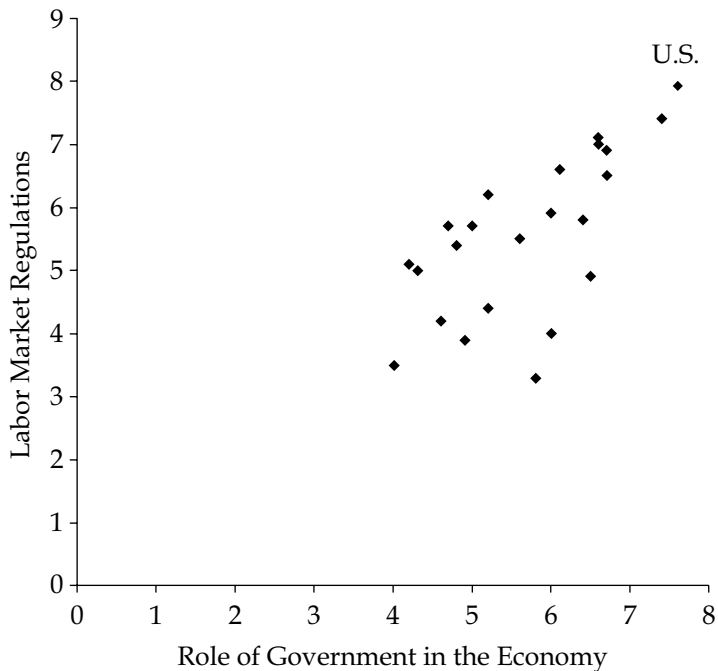


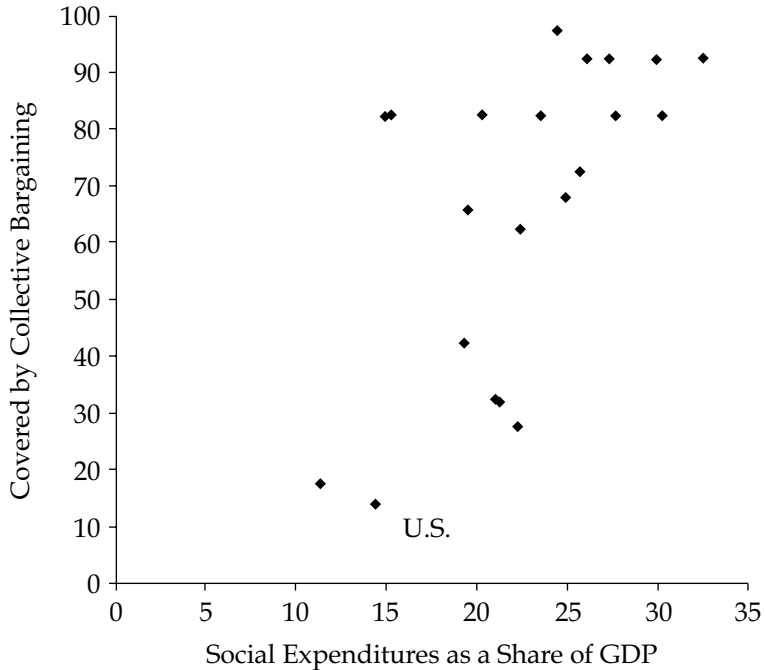
Figure 1.1 Advanced Countries Rated by Fraser Institute
Indices of Labor Market Regulation and the Role of Government in the Economy, 2004



Source: Fraser Institute, "Economic Freedom of the World: 2006 Annual Report," table 1.3; available at <http://www.freetheworld.com/2006/1EFW2006ch1.pdf>.

Note: The higher the value, the more market-oriented the country is.

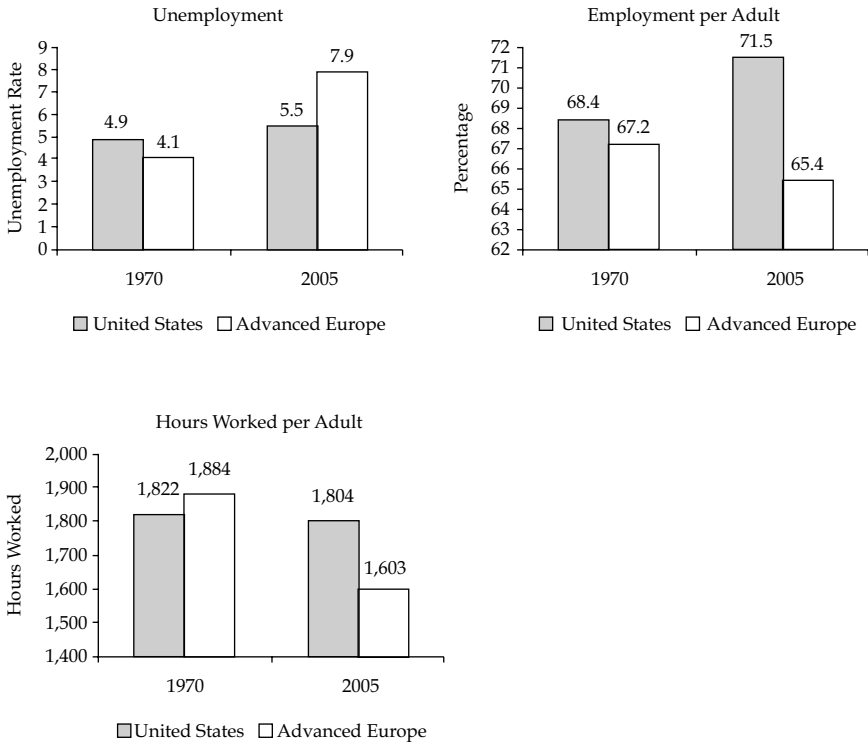
Figure 1.2 Countries Rated by OECD Measures of Percentage of Workers Covered by Collective Bargaining and Government Social Spending



Source: OECD, *Employment Outlook 2004*, ch. 3; social expenditures from OECD.

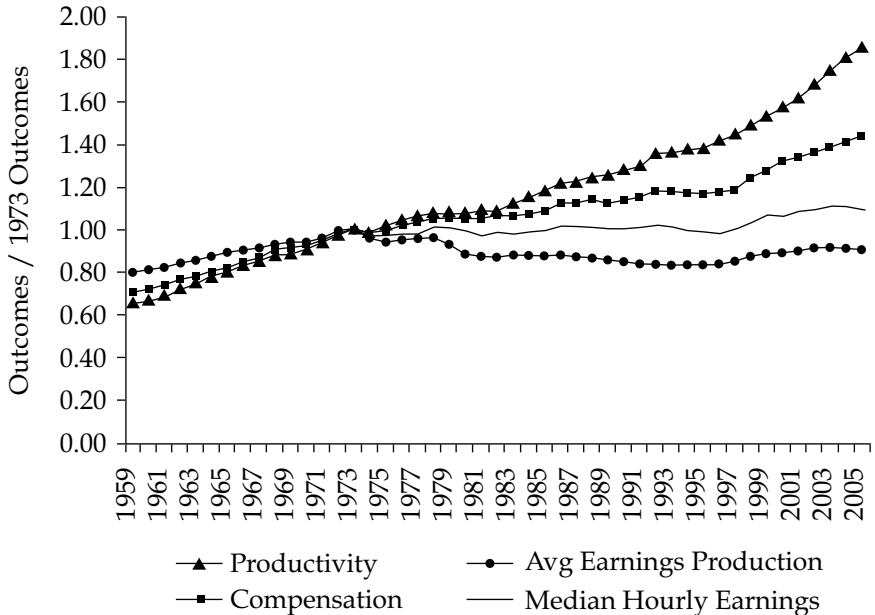
Note: The higher the value, the more institution-oriented the country is.

Figure 2.1 Unemployment Rates, Employment per Adult, and Hours Worked per Adult, the United States and Advanced Europe, 1970 and 2005



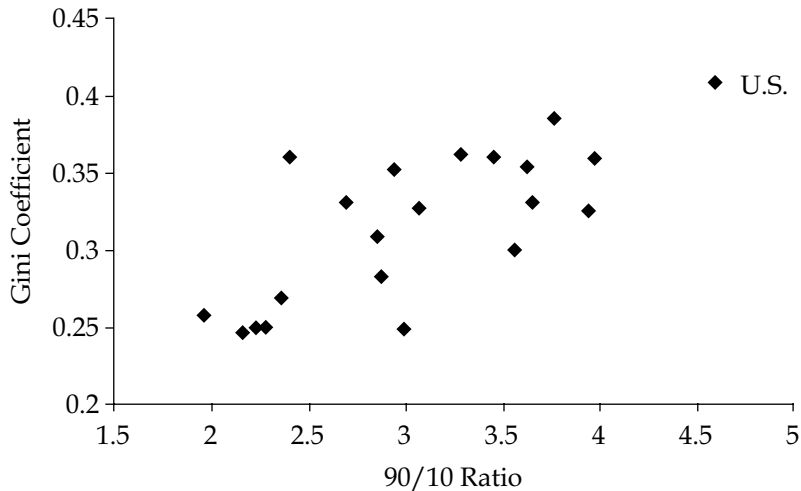
Source: OECD, EU-15 for advanced Europe; hours data are from 2005, *OECD Employment Outlook 2006*, table F 1970, weighted by employment 1970. *OECD Employment Outlook 1989*, table I, which is based on six countries for which data exist—France, Italy, Norway Sweden, Finland, and Germany. The trend in hours from 1970 through 2005 is similar if 2005 refers solely to those countries. For charts of OECD hours, see Evans, Lipoldt, and Marianna (2001) “Trends in Working Hours in OECD Countries.” *OECD Labour Market and Social Policy Occasional Papers*, no. 45.

Figure 2.2 Growth of Productivity Compared to Growth of Alternative Measures of Real Hourly Earnings, 1959 to 2005 (1973 = 1.00)



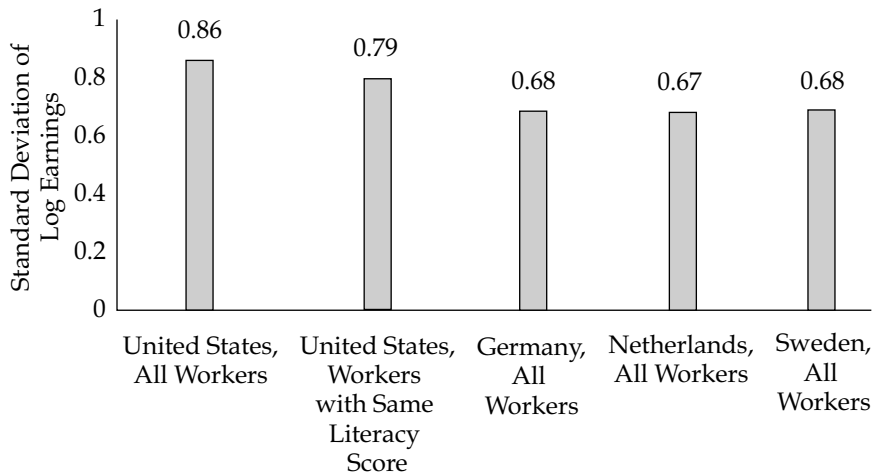
Source: Average hourly earnings, production and supervisory workers: *Economic Report of the President 2006*, table, B-47. Productivity, real hourly compensation: *Economic Report of the President 2006*, table B-49 with 2005 updated from <http://frwebgate2.access.gpo.gov/cgi-bin/waisgate.cgi?WAISdocID=971353361824+9+0+0&WAIAction=retrieve>. Median hourly earnings: Economic Policy Institute available at http://www.epi.org/datazone/06/wagecuts_all.xls.

Figure 3.1 Measures of Inequality, Gini Coefficients and 90/10 Differentials, United States Versus Other Advanced Countries



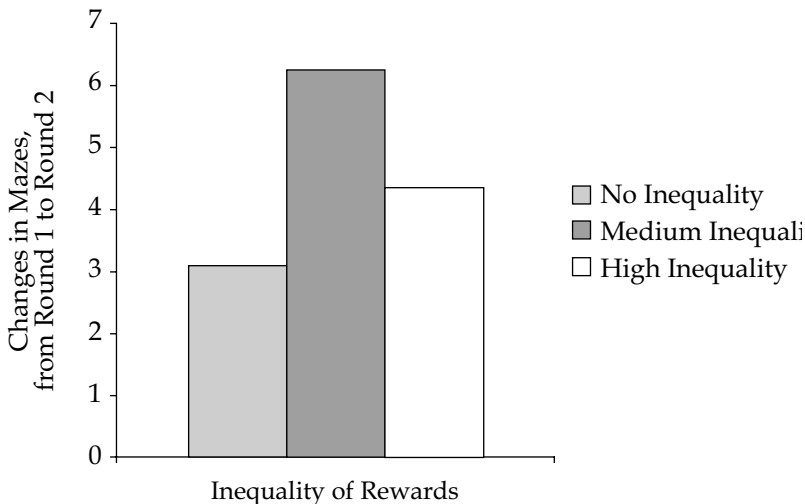
Source: OECD, *Employment Outlook 2004*, table 3.2; United Nations, *Development Report 2005*, table 15.

Figure 3.2 Earnings Inequality for Americans with Comparable Literacy Scores Versus Earnings Inequality for All Workers in Sweden, Germany, and the Netherlands, Measured by Standard Deviation of Log of Earnings



Source: Dan Devroye and Richard Freeman, "Does Inequality in Skills Explain Inequality in Earnings Across Advanced Countries?" working paper 8140 (Cambridge, Mass.: National Bureau of Economic Research, February 2001), figure 3.

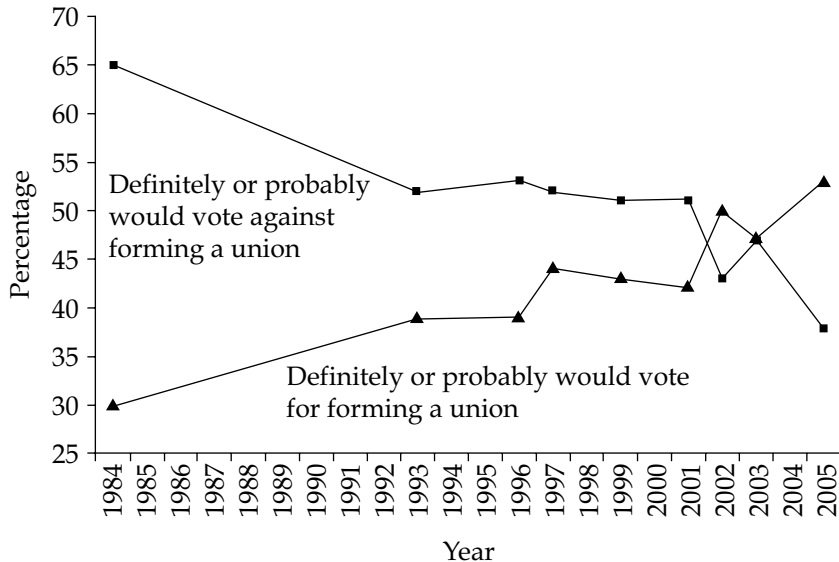
Figure 4.1 Number of Mazes Solved Increased Most with Medium Inequality of Rewards in Laboratory Experiment



Source: Richard Freeman and Alex Gelber, "Optimal Inequality/Incentives: A Laboratory Experiment," working paper 12588 (Cambridge, Mass.: National Bureau of Economic Research, October 2006).

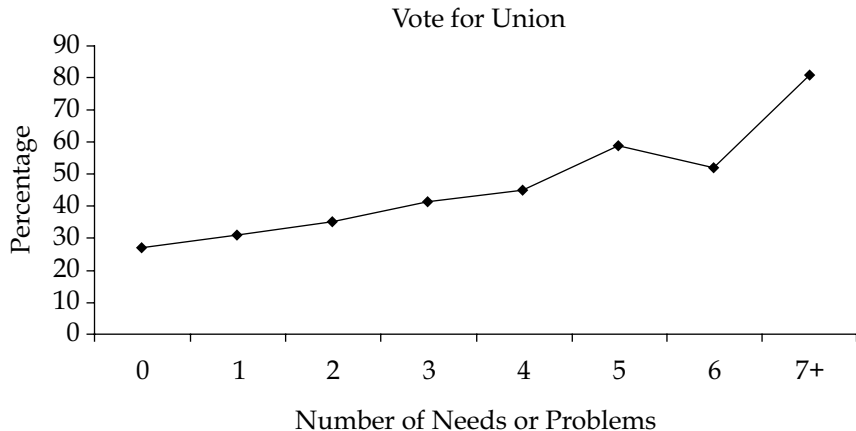
Figure 5.1 Likelihood of Non-union Workers Voting in Union Representation Election, Peter Hart Surveys, 1984 to 2005

If an election were held tomorrow to decide whether your workplace would have a union or not, do you think you would definitely vote for forming a union, probably vote for forming a union, probably vote against forming a union, or definitely vote against forming a union?



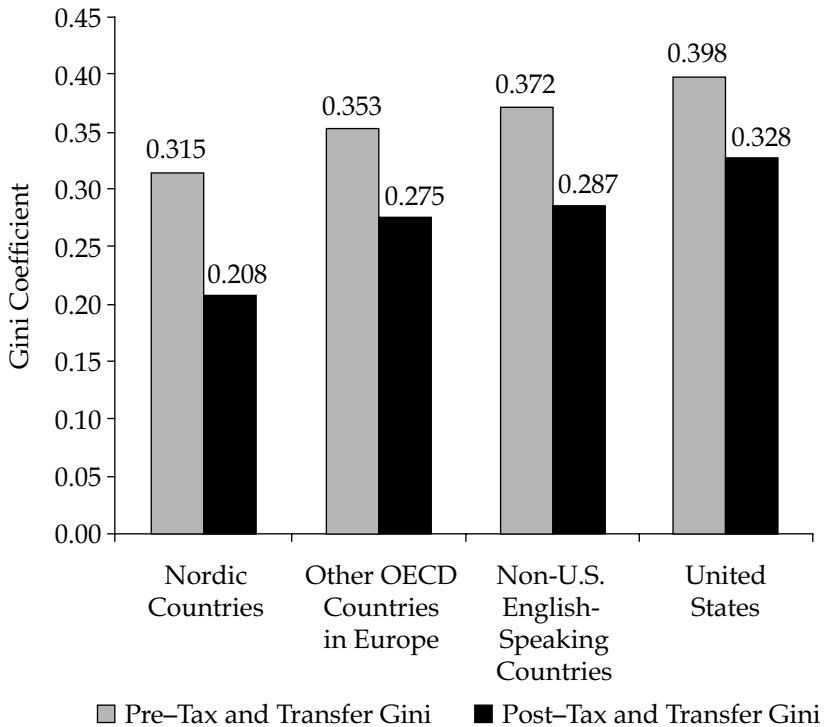
Source: Richard B. Freeman and Joel Rogers, exhibit I.6 *What Workers Want*, 2nd ed. (Ithaca; N.Y.: Cornell University Press, 2006.) Data from Hart Research Associates, various polls, except 1984; data for 1984 are from Harris, on a slightly differently worded question: "If an election were held tomorrow to decide whether your workplace would be unionized or not, do you think you would definitely vote for a union, probably vote for a union, probably vote against a union, or definitely vote against a union?"

Figure 5.2 Number of Needs or Problems Workers Report at Their Workplace and the Proportion Who Say They Would Vote for a Union



Source: Tabulated from Worker Representation and Participation Survey, available at: <http://www.nber.org/~freeman/wrps.html>.

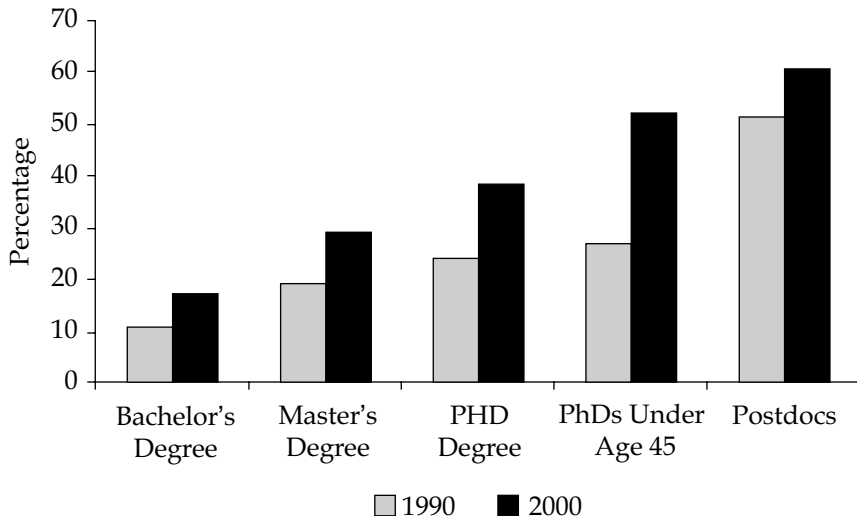
Figure 6.1 Gini Coefficient Measures of Inequality in the United States and Other Advanced Countries, Pre-Tax and Transfer and Post-Tax and Transfer, 1970s to 1990s



Source: David Bradley, Evelyne Huber, Stephanie Moller, François Nielsen, and John D. Stephens, "Distribution and Redistribution in Postindustrial Democracies," *World Politics* 55 (2, January 2003): 193–228, table 2.

Note: The Nordic countries are Sweden, Norway, Denmark, and Finland. The other OECD countries in Europe are Belgium, the Netherlands, Germany, France, Italy, and Switzerland. The non-U.S. English-speaking countries are Canada, Australia, and the United Kingdom. Reprinted with permission from The Johns Hopkins University Press.

Figure 8.1 The Change in the Number of Foreign-Born Science and Engineering Workers During the 1990s Economic Boom



Source: Richard Freeman, "Does Globalization of the Scientific/Engineering Workforce Threaten U.S. Economic Leadership?" *Innovation Policy and the Economy* 6(2006): 123–58.