# List of Figures

2.1 Variation in Expenditure Ratio for Alternative Tax Rate and Weight Attached to Public Goods .......................... 21  
2.2 Variation in $R_m$ with $y_{m}/\bar{y}$ for Different $\varepsilon$ ................................................................. 30  
2.3 A Rectangular Distribution .............................................. 32  
2.4 Variation in $R_m$ with $y_{m}/\bar{y}$ for Different $\theta$ ................................................................. 42  
3.1 Variation in $b_{m}/(G_{m}/n)$ with $w_{m}/\bar{w}$ .............................................. 62  
3.2 Variation in Basic Income with Tax Rate .................................................. 62  
3.3 Variation in Expenditure Share with Tax Rate .................................................. 63  
3.4 Equilibrium With and Without Inequality Aversion .................................................. 66  
3.5 Inequality Aversion and Choice of $G_{m}$ .................................................. 67  
3.6 Inequality Aversion and Choice of Basic Income .................................................. 67  
3.7 Plot of Expenditure Share Against Wage Ratio .................................................. 72  
4.1 The Median Voter’s Choice of Tax Rate .................................................. 79  
4.2 Median voter’s Preferred Tax Rate and Ratio $w_{m}/\bar{w}$ .................................................. 90  
4.3 Expenditure Share and Wage Ratio .................................................. 94  
4.4 Expenditure Share and Wage Ratio with Endogenous Wages .................................................. 97  
5.1 Expenditure Ratios versus Inequality Measures for a Sample of Democratic Countries .................................................. 104  
5.2 Variation in Expenditure Shares: Alternative Parameters A .................................................. 115  
5.3 Variation in Expenditure Shares: Alternative Parameters B .................................................. 116  
5.4 Expenditure Ratios versus Tax Rates for a Sample of Democratic Countries .................................................. 117  
6.1 Variation in $R_{w}$ with $w_{m}/\bar{w}$ for Different $\varepsilon$ .................................................. 142  
6.2 Variation in $R_{w}$ with $\varepsilon$ for Different $w_{m}/\bar{w}$ .................................................. 144  
6.3 The Optimal Composition and Variations in the Tax Rate .................................................. 145
### LIST OF FIGURES

7.1 The Optimal Composition and Variations in the Variance of Initial Wage ........................................... 164
7.2 The Optimal Composition and Variations in Inequality Aversion ....................................................... 165
7.3 Variations in the Optimal Shares of Expenditure on Education, Public Goods and Transfer Payment as \( \theta \) Varies ................................................................. 167
7.4 The Optimal Composition and Variations in Efficiency Parameter \( \theta \) ......................................................... 168
7.5 Optimal Expenditure Shares and Variations in the Tax Rate ............................................................... 170

9.1 Variation in Expenditure Ratio for Alternative Tax Rate, Share of Capital ........................................... 214
9.2 Variation in Expenditure Ratio for Alternative Preference Parameters .................................................. 215