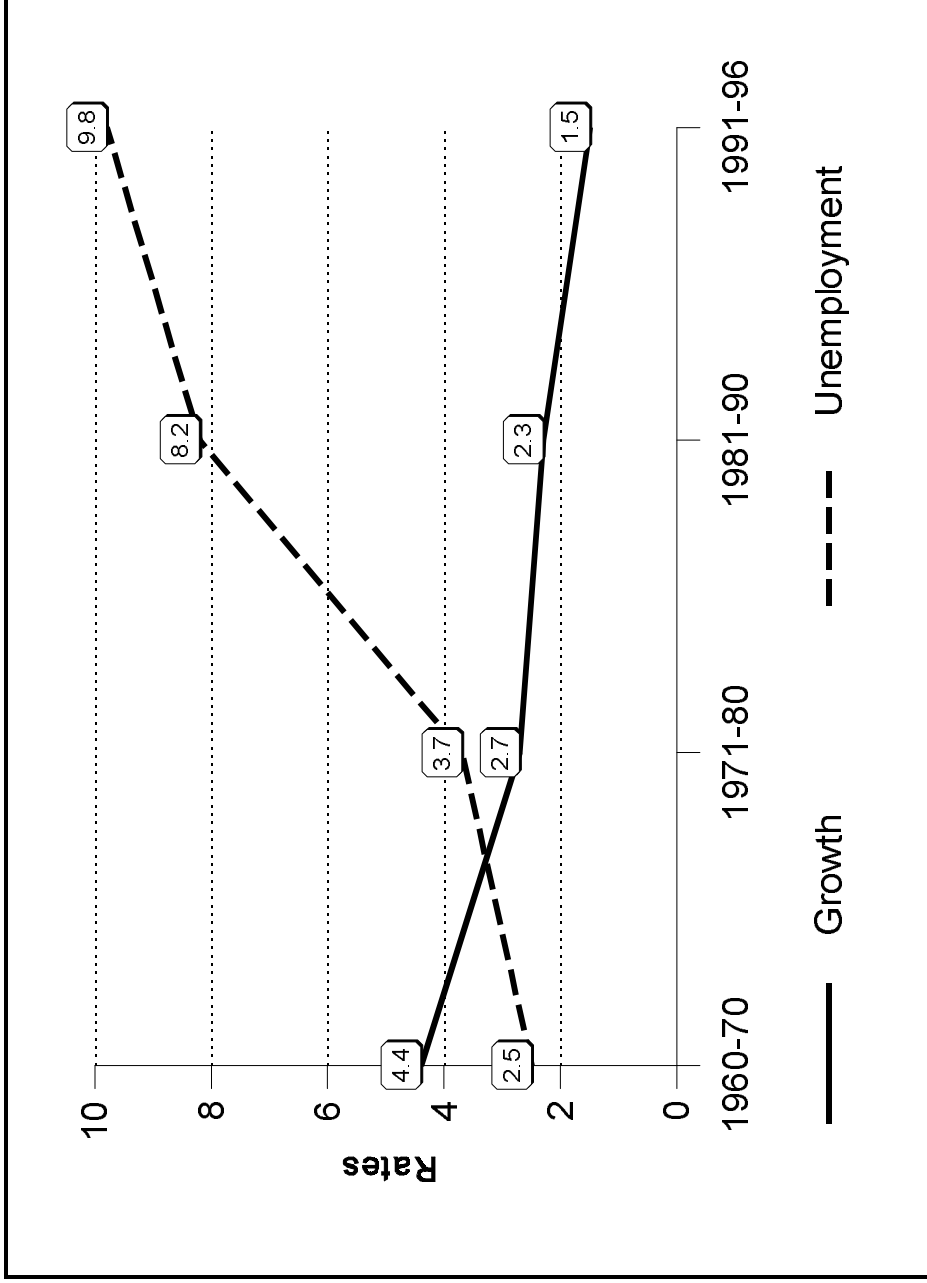
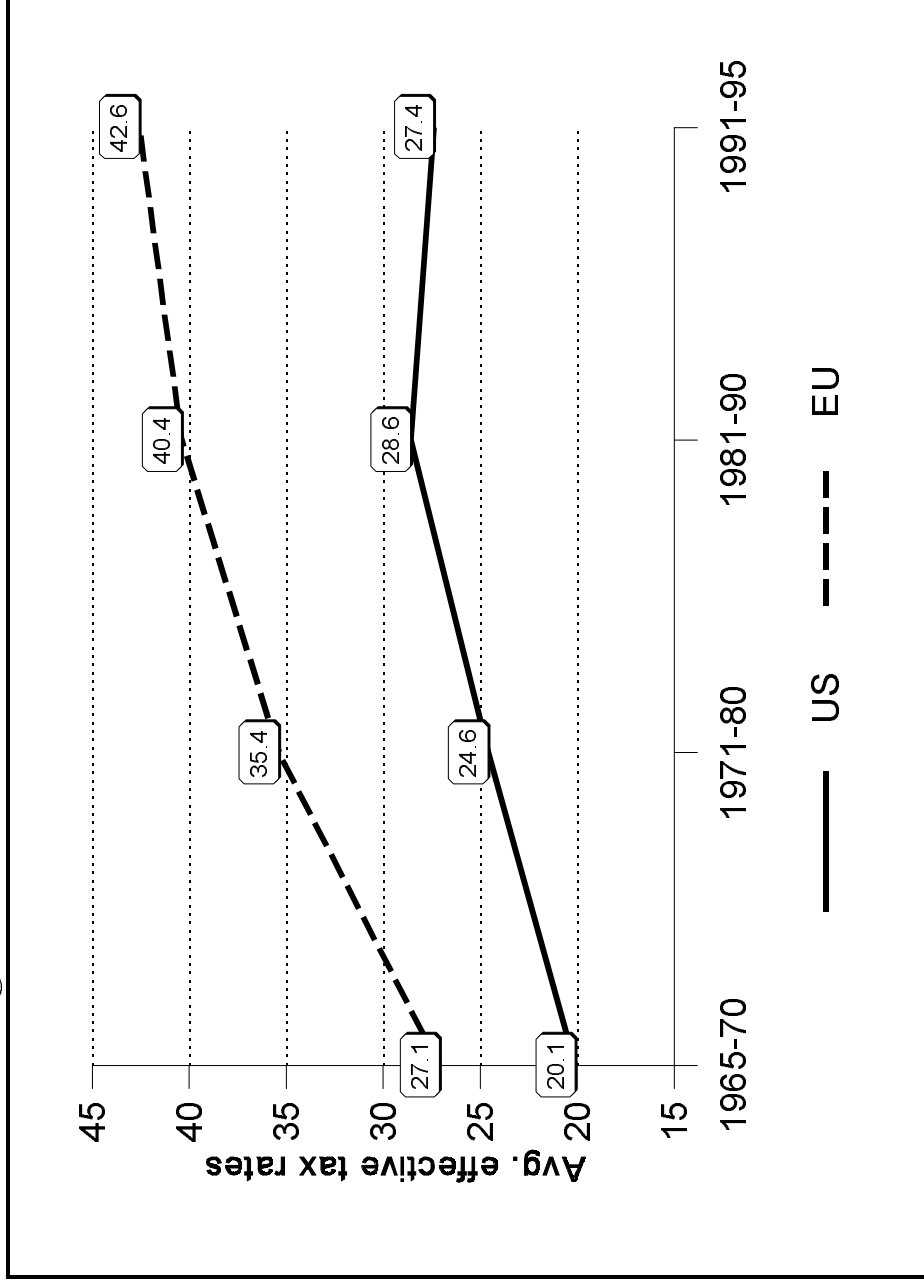


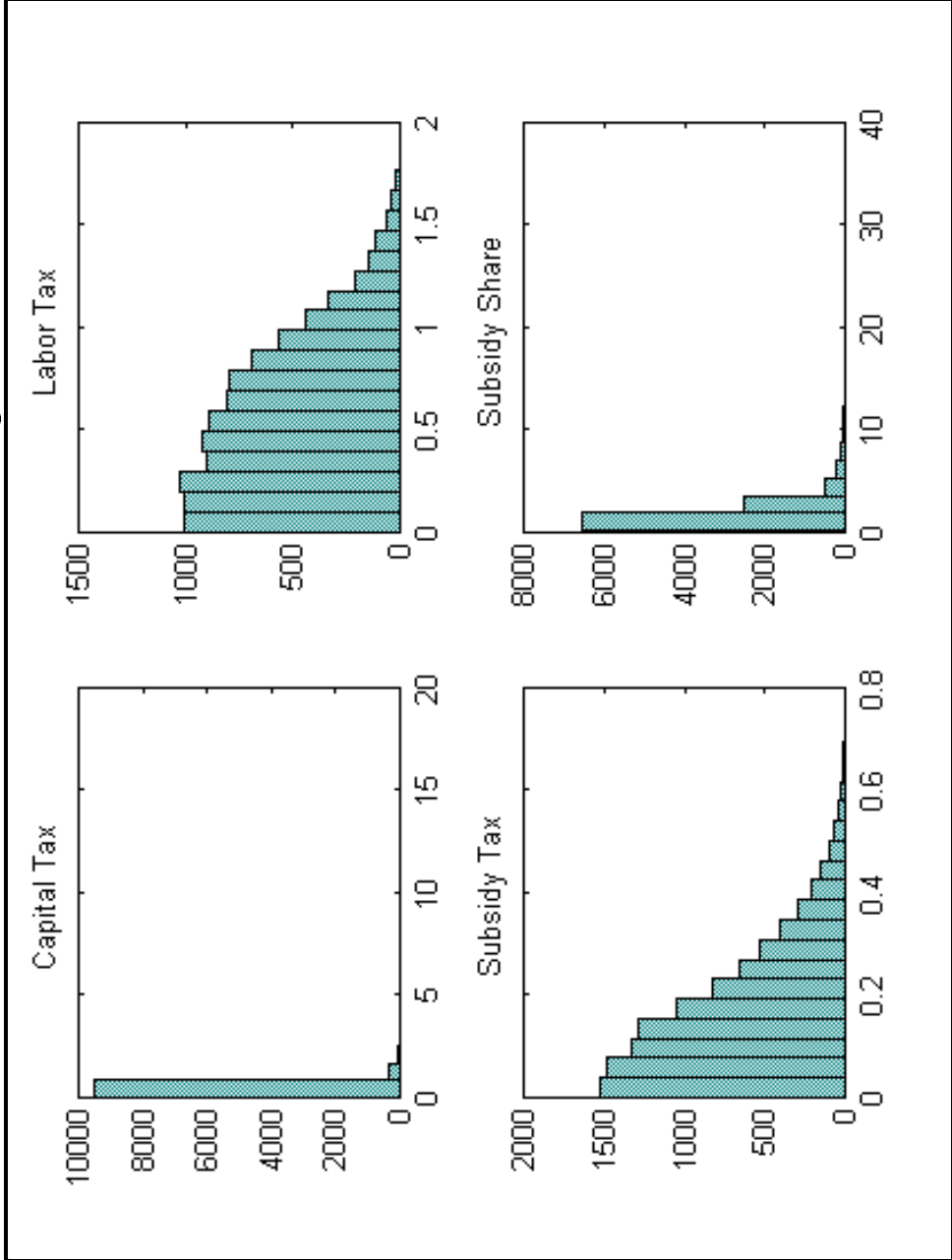
**Figure 1: Growth and unemployment in Europe**



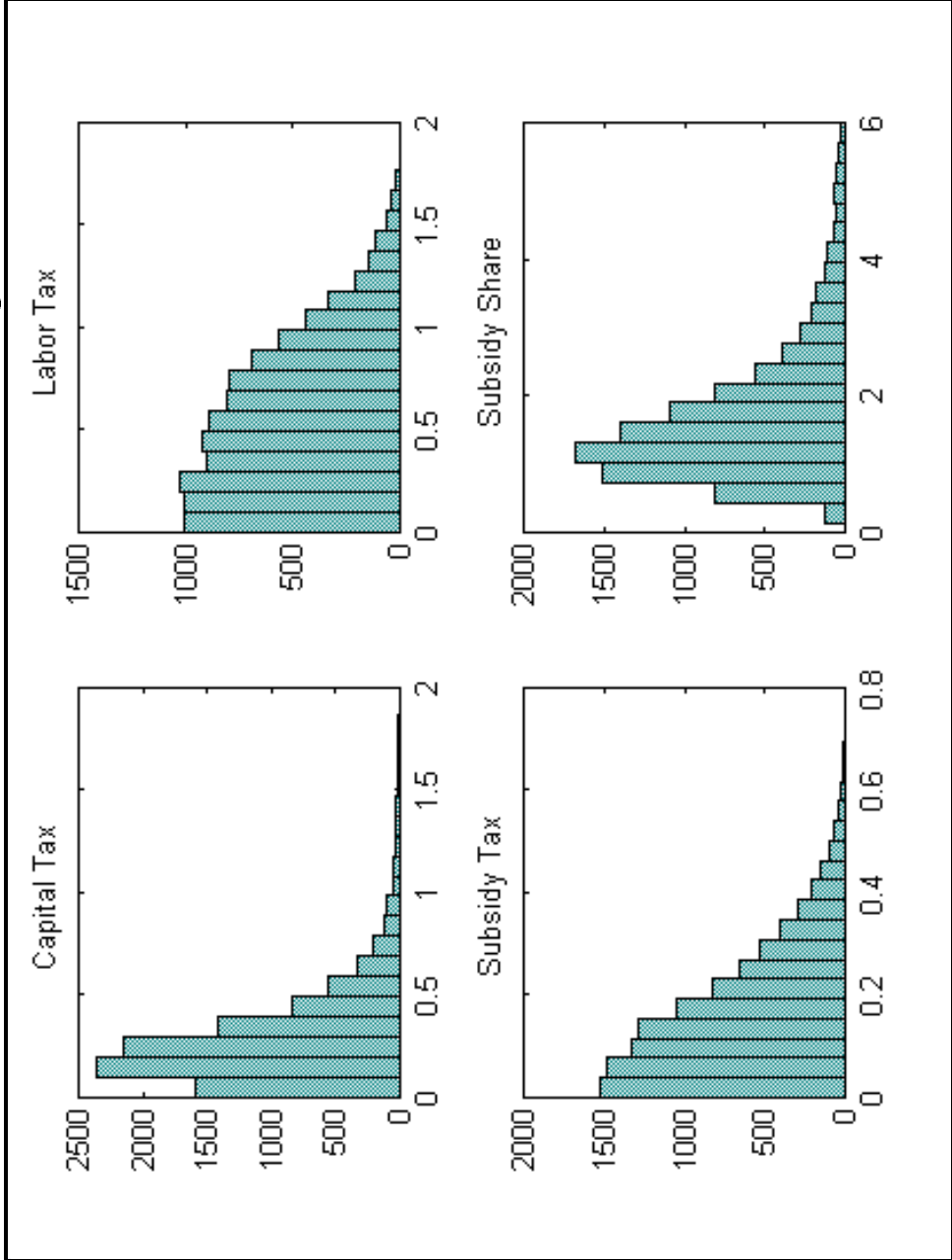
**Figure 2: Labor taxes in the US and in the EU**



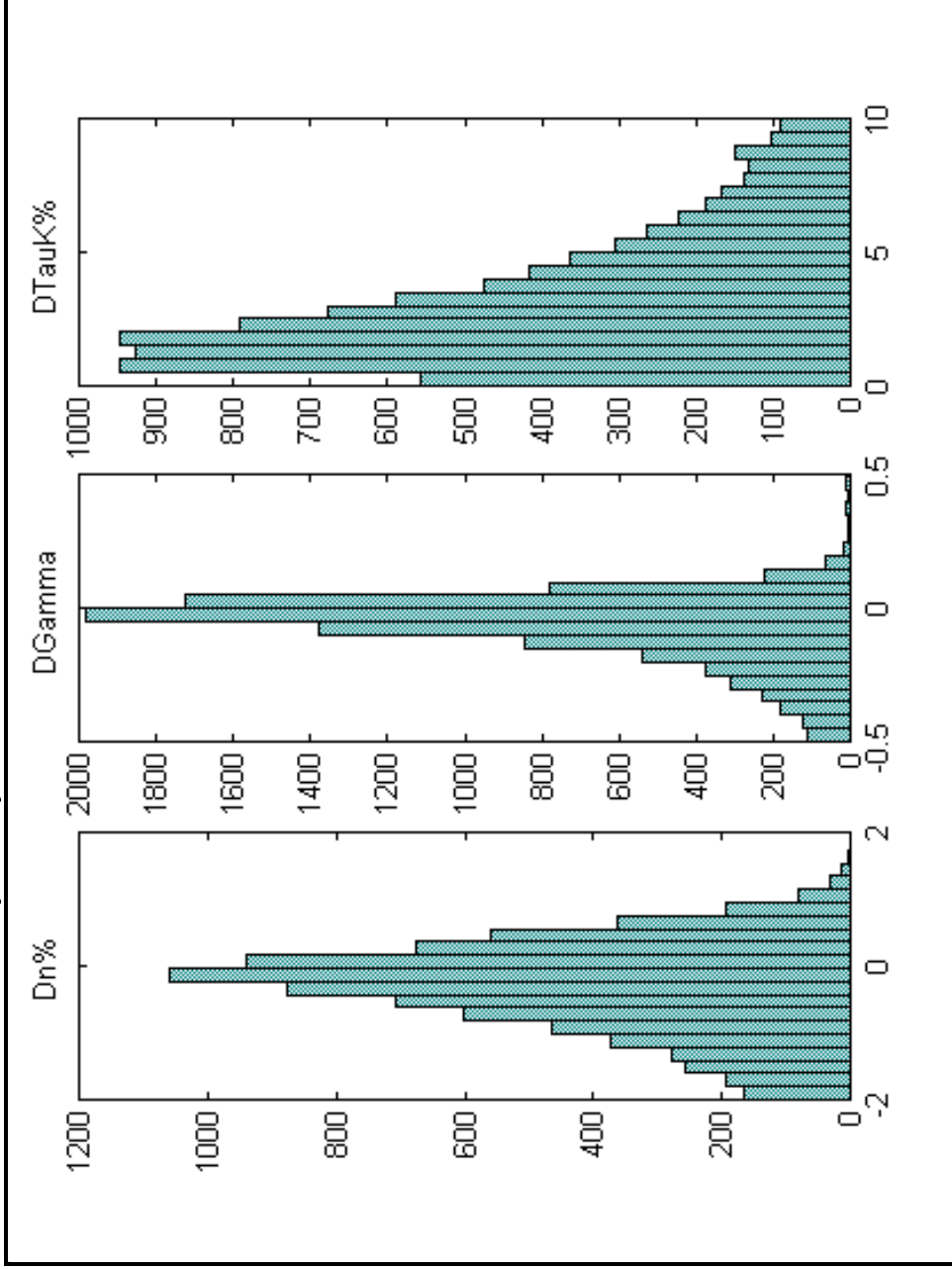
**Figure 3:** Sensitivity analysis - Histograms of  $\Delta n$



**Figure 4: Sensitivity analysis - Detail of Figure 5**



**Figure 5:** Sensitivity analysis - cuts in  $\tau^N$  financed with increases in  $\tau^K$



**Figure 6:** Sensitivity analysis - cuts in  $\tau^N$  financed with decreases in  $\sigma$

