

Supplementary Table (Section 5.4). Simulating the Income Inequality Implications of Financialisation

Location	Gini		Simulation 1		Simulation 2		Simulation 3		Relative Change		
	μ	σ	Min	Max	Min	Max	Min	Max	5%	10%	20%
<i>Northeast</i>											
Alagoas	0.562	0.053	0.0091	0.0784	0.0011	0.0393	0.0103	0.1178	0.5556	1.1111	2.2223
Bahia	0.558	0.028	0.0088	0.0757	0.0011	0.0379	0.0099	0.1136	1.0144	2.0287	4.0575
Ceará	0.550	0.039	0.0071	0.0612	0.0009	0.0307	0.0080	0.0919	0.5893	1.1786	2.3572
Maranhão	0.557	0.032	0.0080	0.0690	0.0010	0.0346	0.0090	0.1036	0.8092	1.6184	3.2367
Paraíba	0.568	0.033	0.0089	0.0763	0.0011	0.0383	0.0100	0.1146	0.8679	1.7357	3.4715
Pernambuco	0.560	0.042	0.0090	0.0778	0.0011	0.0390	0.0102	0.1168	0.6951	1.3903	2.7805
Piauí	0.564	0.041	0.0085	0.0733	0.0011	0.0368	0.0096	0.1101	0.6713	1.3426	2.6851
Rio Grande do Norte	0.556	0.030	0.0091	0.0780	0.0011	0.0391	0.0102	0.1172	0.9764	1.9528	3.9057
Sergipe	0.551	0.031	0.0066	0.0569	0.0008	0.0285	0.0074	0.0854	0.6884	1.3769	2.7537
<i>North</i>											
Acre	0.577	0.036	0.0091	0.0783	0.0011	0.0392	0.0102	0.1175	0.8161	1.6322	3.2645
Amapá	0.511	0.038	0.0090	0.0773	0.0011	0.0387	0.0101	0.1160	0.7632	1.5265	3.0530
Amazonas	0.532	0.026	0.0089	0.0766	0.0011	0.0384	0.0100	0.1151	1.1063	2.2126	4.4252
Pará	0.517	0.026	0.0081	0.0695	0.0010	0.0348	0.0091	0.1043	1.0030	2.0061	4.0121
Rondônia	0.511	0.032	0.0091	0.0784	0.0011	0.0393	0.0103	0.1177	0.9197	1.8393	3.6786
Roraima	0.533	0.023	0.0091	0.0783	0.0011	0.0393	0.0102	0.1175	1.2776	2.5552	5.1104
Tocantins	0.540	0.024	0.0091	0.0783	0.0011	0.0392	0.0102	0.1175	1.2242	2.4485	4.8969
<i>Midwest</i>											
Goiás	0.512	0.038	0.0006	0.0096	0.0000	0.0190	0.0005	0.0287	0.1885	0.3770	0.7540
Mato Grosso	0.521	0.033	0.0006	0.0096	0.0000	0.0189	0.0005	0.0285	0.2161	0.4323	0.8645
Mato Grosso do Sul	0.525	0.034	0.0006	0.0097	0.0000	0.0190	0.0005	0.0287	0.2110	0.4221	0.8442
<i>Southeast</i>											
Espírito Santo	0.532	0.035	0.0039	0.0256	-0.0001	0.0129	0.0038	0.0385	0.2751	0.5501	1.1002
Minas Gerais	0.521	0.026	0.0041	0.0266	-0.0001	0.0134	0.0040	0.0400	0.3848	0.7696	1.5392
Rio de Janeiro	0.544	0.017	0.0018	0.0119	0.0000	0.0060	0.0018	0.0178	0.2622	0.5243	1.0487
São Paulo	0.512	0.028	0.0023	0.0148	-0.0001	0.0075	0.0022	0.0223	0.1990	0.3979	0.7959
<i>South</i>											
Paraná	0.511	0.036	0.0040	0.0257	-0.0001	0.0129	0.0039	0.0386	0.2679	0.5359	1.0717
Rio Grande do Sul	0.509	0.029	0.0040	0.0260	-0.0001	0.0131	0.0039	0.0391	0.3372	0.6744	1.3489
Santa Catarina	0.458	0.022	0.0041	0.0263	-0.0001	0.0132	0.0039	0.0395	0.4488	0.8976	1.7952

Source: Authors' own computations.

Notes: Min and max correspond to lower and upper 95% confidence intervals under a 5% size of test. Simulation 1: The direct effect is computed from the estimate for $FIN_{i,t}$ in column (7) in Tables 3-5. Simulation 2: The indirect effect is computed using the 2SLS estimates $LPF_{i,t}$, $GLO_{i,t}$, $CAP_{i,t}$ and $SPI_{i,t}$ in Panel B of Tables 3-5; in conjunction with the relevant estimates in Panel A for these variables in column (7). The indirect effect is based on the sum of the individual effects for each of these four variables. Simulation 3 is the sum of outcomes under Simulations 1 and 2. The Relative Change corresponds to the ratio of the upper bound of the change in the Gini coefficient to the sample standard deviation (Gini), reported for 5%, 10% and 20% financialisation expansion scenarios.