



April 2018, *no*48

SNS RESEARCH BRIEF SUMMARY

Women at the top of the Swedish income distribution*

MUCH ATTENTION HAS BEEN GIVEN to the growing share of incomes going to people at the top of the income distribution. Much less has been said about the gender composition of these high income earners. Using detailed register data we have studied income differentials between men and women at the top of the Swedish income distribution between 1974 and 2013.

We find that the share of women has significantly increased, which has risen from around six percent to around 18 percent in the top percentile (the top one percent of income earners); in the top decile (the top ten percent of the income distribution) it has risen from around 12 percent to 28 percent since the mid-1970s.

In many dimensions there is convergence in the characteristics of men and women in the top income brackets. Compared to men in the 1970s high-income women were more likely to be widows, single or divorced, to be either below the age of 30 or above 65. In all these respects the differentials are narrowing (although some important differences remain). Most importantly though, top income women, who were previously more reliant on capital incomes, are today increasingly relying on labor income.

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However, the most striking remaining difference lies not in the individual characteristics of top earners but in the characteristics of their partners. Around 70 percent of the married women in the top one percentile have a partner who is also a high earner (at least in the top 10 percentile). In the case of the top percent of men the opposite is true; about 70 percent of married top income men are married to a person with an income below the highest ten percent, and almost 40 percent of all married men are married to someone with a low income (below the 60th percentile).

When comparing the situation in Sweden with that in other countries we can see that the overall patterns are very similar. The percentage of women in top income brackets has been increasing at similar rates and at comparable levels since the 1970s. A rather surprising aspect of the data is that in Sweden (and in the other Nordic countries) the share of top income women is lower than in countries such as Spain and Italy, which are often regarded as being less gender equal. This raises interesting questions about the possibility of overall gender equalizing policies having adverse effects for women at the top end of the income scale.

* This is a summary of a research brief in Swedish “Kvinnorna i toppen av den svenska inkomstfördelningen”.



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