Top Earners: Cross-Country Facts

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Abstract

We provide a common set of life cycle earnings statistics based on administrative data from the United States, Canada, Denmark, and Sweden. We find three qualitative patterns, which are common across countries. First, top-earnings inequality increases over the working lifetime. Second, the extreme right tail of the earnings distribution becomes thicker with age over the working lifetime. Third, top lifetime earners exhibit dramatic earnings growth over their working lifetime. Models of top earners should account for these three patterns and, importantly, for how they quantitatively differ across countries.

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