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**Title**

Are PhDs winners or losers? : wage premiums for doctoral degrees in private sector employment /

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**Abstract**

Policy makers expect increasing numbers of PhDs to find employment in the private sector. However, the incentive structure for completing a PhD and subsequently seeking private sector employment has not been adequately assessed in the literature. This paper investigates the financial incentives for this career choice of recent Danish PhD graduates. The wage premiums associated with holding a PhD compared to a master's degree are estimated with a program evaluation approach using a matched sample. The empirical results do not indicate significant financial incentives to choose private sector employment early in PhDs' career. These results stand in contrast to previous studies that find positive returns to PhD education. This paper argues that a key factor behind this difference is the use of a matching approach that eliminates heterogeneity between PhDs and the control group of master's graduates. (HRK / Abstract übernommen) Skovgaard Pedersen, Heidi, E-Mail: hsp@cfa.au.dk