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**EDUCATION AND WAGE
INEQUALITY IN EUROPE**

A Literature Review

The Research Institute of the Finnish Economy (ETLA)

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Preface

“Education and Wage Inequality in Europe – EDWIN” is a two-and-a-half-year research project supported by DG-Research of the European Commission (under the Fifth EU Framework Programme for Research, Contract Number HPSE-CT-2002-00108). The project, which started on November 1, 2002, brings together nine research teams from an equal number of European countries: Finland, France, Germany, Greece, Italy, Norway, Portugal, Sweden and the United Kingdom.

The overarching objective of the project is to enhance the understanding of the relationship between education and wage inequality. The research undertaken within the framework of the project explores the structure and change in wage inequality within and across European countries, using comparable data. Furthermore it seeks to explain the observed patterns and trends within and between cohorts in terms of the interplay between educational expansion and wage inequalities and educational systems and labour market institutions. The research is focussed to derive practical implications for economic and social policy. More information on the project is available at EDWIN’s web-site www.etla.fi/edwin

This volume of the EDWIN project provides a comprehensive review of the current state of knowledge in each participating country concerning the link between education and wage inequality. By reviewing the existing empirical evidence on this topic it thus draws a baseline for the results that are produced within EDWIN. It should, though, be pointed out that an unfortunate delay in the delivery of a few of the book chapters has caused a discrepancy in the time period covered by the separate national reviews.

On behalf of all participants we would like to thank DG-Research of the European Commission and the Improving the human research potential and the socio-economic knowledge base programme for providing funds to carry out the EDWIN project. We also want to thank Tuula Ratapalo for her excellent work in preparing the final layout of this volume for publication.

Helsinki and Oslo, April 2005

Rita Asplund and Erling Barth

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