

# Applying to Graduate Programmes in Economics

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November 19, 2006

This note contains some random advice for those wishing to apply to grad school, whether at the Masters or PhD level. While the process seems pretty random to an undergraduate, it's really quite deterministic (although there are always exceptions). Hopefully this note should help add some clarity.

I should also say that this note is likely to evolve over time. I'd be grateful for feedback.

Acknowledgements and references:

- The economics guys at <http://www.testmagic.com>. These people are very well informed and run a good discussion site.
- <http://www.econphd.net>. This has lots of links to other people's advice.

## 1 Type of Programme

Here's a rough guide to the range of programmes and the difficulty of getting in. The GPAs are a rough approximation: a GPA of 3.5 in mathematical economics is better than a GPA of 3.8 in sociology. First, PhD programmes:

- PhD from Top 10. GPA of 3.8 from UofT. Generally top 1-2%.
- PhD from Top 30. GPA of 3.5 from UofT. Generally top 5%.

Master's programmes:

- First tier: Toronto, UBC, Queens, Western, LSE, Oxford.
- Second tier: McGill, McMaster, Simon Fraser.
- There are many other masters degrees that are perfectly sufficient for government jobs, although they aren't as great if you wish to continue with academic research.

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## 2 Masters vs. PhD

Personally, I'm a big fan of masters programmes. There are three reasons

1. They provide more evidence about your quality. The problem for many students is not that they're not smart, but they haven't had the chance to prove it. A masters gives you this chance. This is especially useful if you're from a smaller university or a non-US university.
2. Many people find out a PhD is not for them. This can take a few weeks or a few years to find out. A masters is a good way to dip your toe in the water, especially if there is a research component. If you don't like it, you have a good qualification that will increase your earnings (especially in the UK and Canada).
3. You're more prepared why you enter the PhD program. This makes the whole process much more enjoyable. While there will be some course overlap, this time is not counted against you when looking for a job.

What to look for in a masters programme?

- Time to completion.
- Research component (if any).
- Size of class.
- Quality of fellow students.
- Specialisations offered.

Remarks about the masters to PhD transition

- The masters will only enhance your academic chances if you do better than your undergraduate work. Saying this, if you have problems at a masters, then maybe a PhD isn't the right thing for you.
- You don't have long in your masters programme to make an impression. If it's a one year masters, work especially hard in the first term.

## 3 Requirements

Undergraduate courses.

- Maths prerequisites: Calculus, Linear Algebra, Differential Equations, Probability and Statistics, Intro Econometrics. Real Analysis is the most useful advanced maths course to take. Generally, the more maths, the better!
- Economics classes. At UofT we look closely at Economics 325–327, the 3rd/4th year macro, micro and econometrics classes. You need to average A- to get into the UofT masters program. Generally, take rigorous classes. If you can, take graduate classes, but be prepared to work hard if you want to do well.

### GREs

- Quantitative. For top 30 schools, 750 is a minimum. Most students at top programs have 790–800.
- Analytical. Aim for 5.5 or above. This is probably less important than the quantitative.
- Verbal. If you're native language isn't English a score of 600+ is useful.

### Letters of Reference

- Good letters are absolutely crucial. When admitting, the reviewer will typically scan the scores (see above) and thoroughly read the letters. A good letter has two properties:
  1. The letter should be from someone who knows you well. Give the letter writer (1) your transcript, (2) your resume, and (3) your statement of purpose. Reviewers are looking for useful information, not cheaptalk. What are you interested in? How do you interact with faculty members? How motivated are you? How do you compare with previous graduates? What projects have you been involved in? How do you rank in your class (if this isn't on your transcript)?
  2. The letter should also be from someone as well known as possible. Get economists rather than sociologists. Get professors rather than lecturers. Get full professors rather than assistant professors. Get someone who has sent other students to good universities. Of course, this is an ideal world. In reality, you may face a trade off between getting people who know you well and senior people. Strike a balance.
- Give profs ample opportunity to turn down your request. A lukewarm letter will kill you.

### Research

- Term projects and theses are very useful. They provide evidence that you are interested in research and can work alone. They also indicate where your long term interests lie.

- Even if your research is unrelated with your interests, it is still very important. The project signals your creativity and drive.
- RA work is also very useful. Try asking your professors if they need help. I should say that empirical profs use far more RAs than theorists.
- If you have no research, it is even more important to your discuss research interests on your SOP.

Writing sample

- Only a few schools require writing samples (e.g. Berkeley, Chicago, Wisconsin).
- They want a term paper or homework that shows something about your interest in research and your ability to do research. They do not care about the paper itself (you'll write much better papers in grad school), but what it signals.

### 3.1 Statement of Purpose

The statement of purpose is very important. A basic version runs as follows.

1. Introduction [1 para]. Provide quick overview of interests, strengths and background.
2. Why an Econ PhD [2-3 paras]. Why economics? Which areas of economics?
3. Schooling [2 paras]. What courses did you take? Which are hard? Which did you like? How did you perform? Did you win any awards?
4. Research [2 paras]. Describe some project you've undertaken. This could be as an RA, or some term project. What did you find interesting? What was hard?
5. Teaching [optional]. In my opinion, this is only important if you are not from an English speaking background. This gives you chance to explain your communication ability.
6. Non Academic matters [optional]. Did you help run the economics club? Did you work as a consultant during the summer? This information is not of direct interest but speaks to your motivation, work habits, creativity and drive.
7. Sum up [optional].

Other points

- Describe your passion for research.
- Don't lie. This will be used to match you with profs and may have long term effects.

- Be specific. Anyone can say “I like development economics because I want to help my country grow”. Specifically, which aspects of your development class did you find interesting? Give an example of a topic or question you’ve spent some time thinking about. What papers did you enjoy reading? The aim is to talk intelligently about a topic, so don’t make bold claims that may be wrong. It’s much better to pose interesting questions, and say why you’d like to investigate those questions.
- Don’t insult the profession. For example, it is a bad idea to say, “I want to study game theory, because economists currently have a poor understanding of the formation of cooperation”. It’s much better to say “I want to study game theory, in order to enhance my own understanding of the formation of cooperation”.
- You should make your SOP university specific. For example, don’t say you love saltwater macro if you’re applying to Minnesota. You could mention specific faculty in your SOP, but I probably wouldn’t recommend it.
- Point out any particularly hard classes.
- Get friends and profs to proofread your SOP.

## 4 PhD Application Process

### Timing

- Timing is irrelevant, so long as your application arrives before the deadline.
- Take the GRE no later than October because ETS can be slow.
- Give your profs a months notice.

### How many PhD programmes to apply to?

- Apply at as much universities as you can afford.
- If you’re in great shape (GRE 3.9+) then 6–7 will suffice. Otherwise try 10–15. While this is expensive, it’s a very good investment.
- Even if you apply to 20, make sure each SOP suits the university you’re sending it to.

### Which PhD programmes to apply to?

- If you have GPA 3.8+ with good LORs. Apply to top 10 universities with safety schools in top 30. I also recommend applying to masters since this will give you another shot at top departments, if you miss them the first time round.

- If you have GPA 3.4–3.6 with  $Q < 770$ , then the range 20–50, seems like a reasonable bet.
- Some universities are well known for their excellent PhD programmes (e.g. Penn state).
- Apply to universities that fit your interests. This becomes very important for smaller universities outside the top 10. For example, look what the students on the market are writing about. Look at the graduate courses they offer.
- Ask where your university (and your profs) have sent past students.