

Faculti Summary

<https://staging.faculti.net/the-market-for-economics-and-finance-phds/>

This video video discusses the significance and impact of PhDs in economics and finance, highlighting their role as premier degrees at universities and the substantial resources universities allocate to them. It notes that PhD graduates often secure jobs in key sectors, including treasury departments, central banks, consulting firms, and academia, contributing to public policy, business decisions, and economic literacy, which is vital for a functioning democracy.

The document reviews existing literature primarily focused on the U.S. job market for PhD graduates, noting a recent comprehensive study revealing a substantial shift towards non-academic positions, now accounting for nearly half of placements. It introduces Australia's context, presenting three data sets to assess the job market outcomes for local PhDs, revealing an increase in annual production of economics and finance PhDs, along with their demographic makeup.

The second data set consists of insights from an annual PhD conference, tracking the careers of attendees. Approximately 40% of tracked individuals became academics, mirroring broader national trends. The third dataset, the Graduate Outcome Survey, provides earnings data, indicating higher wages for graduates from prestigious universities while also revealing a gender pay gap.

This video video identifies challenges faced by PhD students, including opportunity costs, thesis writing difficulties, and competition with U.S.-trained counterparts. It concludes with reflections on promising prospects for Australian PhD graduates, emphasizing the importance of adaptability in an evolving job market, and providing insights into the timeline for academic impact, with significant contributions often occurring 11 years post-PhD completion. The overall landscape appears positive, with international opportunities for graduates from Australian universities.