

University of Michigan: Ph.D. in Economics*

Tereza Ranošová

Started: Fall Semester 2017

Expected graduation: Spring 2022/ 2023

ranosova1@gmail.com

January 18, 2019

After finishing my bachelor's studies at IES in June 2016, I decided to enroll in the masters program at IES and study at CERGE-EI as a visiting student. During that summer I also decided to apply to PhD programs in the United States. I knew my chances were slim and was fully prepared to stay at CERGE and try again next year. But luck was on my side and I got accepted to the University of Michigan¹

Ph.D. programs in the USA

If you are considering doing a Ph.D., choosing the continent is a big step. A doctorate means something else to Americans and the system of getting one is quite different. Some European schools (especially the very good ones) are converting their doctorate education to be more "US-style" (LSE is the prime example). These are the biggest differences you should be aware of:

Length A graduate program in Economics typically takes 5-6 years to complete (five is the standard length, but many students take at least one more year).

2 in 1 The reason it takes so long is that the first two years of the program are basically equivalent to a masters degree (you take classes, do problem sets, take exams etc.). You will also get an MA along the way. So you should really be thinking about this as 2 degrees in one. An advantage of applying to the US as opposed to for example LSE is that you do not need to have a masters degree (I do not have one). Roughly 70% of my classmates actually either do have a masters or have several years of experience working in a central bank/ think tank/ private sector. But it is still common for Americans to apply to graduate school straight out of college. Europeans mostly do come with masters

*With an embedded MA in Economics

¹The 12th best graduate program in Economics in the USA (based on usnews.com). The 18th (based on RePEc)/ 14th (based on Tilburg University Top 100 ranking) best department of Economics in the world in research output.

degrees, but it is not a necessary condition. If you know this is what you want to do, there is no reason not to apply.²

Specialization When you come to a graduate school here, it is perfectly ok to be unsure about what you want to do. In fact I consider this to be the biggest advantage of the US system. It is good to have a broad idea (especially so you can choose your department well). But it is perfectly ok to change your mind 5 times. That is what the first two years are for. During your first year you take core classes (micro, macro and econometrics) and for an IES graduate this will mostly be a recap. The summer after first year is devoted to studying for a qualifying exam (equivalent to our state exams) and most people do a research assistantship. During second year you choose your fields (for example I am taking Labor economics, Demography and Macroeconomics) and expand on your methods. Usually you also develop a few research proposals/ ideas to work on later. The summer of second year is spent studying for field qualifying exams and expanding on your research ideas. Only starting the third year the program starts to resemble a Czech doctorate, but even then you do not have to have a clear idea of what your dissertation is going to consist of (you just need to write one chapter basically). Moreover, it is quite alright if your dissertation is not extremely specialized. As a result, graduates of the US system have a way broader understanding of the field and are not afraid to dive into new topics if they become interested. A huge advantage of doing your Ph.D. in a big high quality department is that you can choose your topics based on what you are passionate about, not based on what the few high quality professors in your department do. Schools of course do specialize to a certain extent (for example Michigan is best known for high quality empirical research in Labor Economics and Public Finance), but there are great professors here in all fields.

Atmosphere This is not necessarily an American thing, but it comes from being part of a very high quality research department. During regular semesters there are research seminars basically every day (an external speaker presents their research/an internal professor or a graduate student presents their work in progress/ job market candidates practice their job talks/ external job market candidates are invited to present their work). People talk about research all the time and you get a way better idea about where the frontier is. Before I came here I was genuinely worried I would never have a solid research idea. I am not worried anymore. There are so many ideas floating around that it is way more about recognizing the good ones than coming up with at least some. The expectations are also much higher and the preference is towards quality, not quantity.

Commitment and support It is a full time job. In fact it is more than a standard full time job. If you do not love it, it is hard to stay motivated. On the other hand, the department is very aware of this and provides a lot of support to help you stay motivated.

²I think some schools tend to be more strict about this than others. Rumor has it that NYU almost never takes international students without a masters, but I have no confirmation of that. The ambiguity comes from that you need an "equivalent of a US college degree", which takes four years to complete as opposed to three years.

The financial support is sufficient so that students do not need to take on any debts, there is a lot of help provided to deal with administrative/ visa issues but also personal problems, there is a great emphasis on mental health protection, many social events that keep students connected and structured steps to help students form relationships with professors. The assumption is that you will give it your all and the department will do the best they can to help you succeed.

Financing For decent programs you do not pay tuition (in contrast with almost all western masters degrees) and you are paid for being here (quite generously compared to Czech doctorate students). The details of funding differ by school. Michigan is not the richest (it is a public school, unlike almost all other high quality American universities), so our funding for second year and above is conditional on teaching a class (alternatively a professor can pay you from their grant or you can get a scholarship, though this is true for a minority of students). The workload is typically around 20 hours a week (including all the prep, grading, office hours etc.) during fall and winter semesters and the stipend is around 21k USD per year plus tuition and health insurance. This is certainly enough to devote 100% of your time net of teaching to your studies. As an international student in the US you cannot work more even if you wanted.

Application process

The application process is very similar to all graduate programs in Economics in the US and also the "US-style" graduate programs in Europe (for example LSE). This means it is not terribly costly (except for the application fees) to apply to several schools at once.

CV, Statement of Purpose, Personal Statement Most schools will ask you to explain why you are applying to this specific department and to a PhD program in general. Do not underestimate this part. My perception is that Michigan in particular puts a lot of weight on "fit". They do not just want to admit students who are good at math and want to prove to the world they are smart, but those who can demonstrate they are strongly motivated to do research on topics in line with interests of the faculty. Being academically qualified is a necessary condition, but it is not what is going to get you admitted. Departments are aware that a Ph.D. is a huge time commitment and prefer applicants who are mature, know what they want, will graduate and have a high probability of representing the department well after graduation.

Letters of Recommendation Most people I talked about this told me that this is the most important part of your application. Sadly, this also puts you immediately at a disadvantage, because most professors at IES are not extremely well known/ connected with the US academic environment. Talk to professors and ask them who else they think you should talk to. Do not be shy. Start early. Go talk to the professors at CERGE as well, even if you do not know them (and ideally get to know them before you start applying). Pick professors based on what is their publication record and go for quality, not quantity (nobody cares about 20 papers published in European journals compared

to 1 AER publication). If you did an Erasmus/ a summer school and got recognized by a well connected professor, ask them as well. Ideally, your recommender would speak to your ability to do research. That means it is obviously beneficial if you worked with this professor on a research project. Since IES does not provide class ranking and transcripts can be hard to understand, it is also good to mention your perceived class ranking by the professor (if it is good of course).

Transcripts Americans do care about grades (including reporting their college GPA on CVs). Out of my classmates who came straight from college, most had basically perfect grades. If your grades are not perfect, it is important to explain why (perhaps you had a personal issue, it took you some time to realize that grades are important, you studied two schools at ones...). If you apply a few years after graduation, grades are not as important as long as you have other achievements to show for yourself. Many students will take Ph.D. level classes during their bachelor/ master studies. Getting good grades in those classes demonstrates that the first year curriculum is not going to be overwhelming for you. Similarly, you should have as much math background as possible. It is difficult to communicate that IES does have a math heavy curriculum, because Economics college majors in the US do not have that. Be sure to describe in your application the topics covered by Mathematics I-V. Do not be afraid to say Real Analysis instead of Calculus. There are many reasons a school can reject your application, but your mathematics background should not be one of them (as long as your IES math grades are good). But you need to communicate that clearly. Mention that you received a merit scholarship (IES does not provide you with a class rank, but the scholarship is awarded to a certain percentage of students, so it gives at least some information).

Standardized tests (GRE and TOEFL) Having a reasonably high TOEFL score is a necessity (but the bar is quite low). Having a reasonably high quantitative GRE score is almost a necessity (this differs by school and there is generally a trend in putting less weight on standardized testing).

Final tip Get over your fears and consult your applications with professors. I did not do this enough and consider this my biggest mistake. One of my classmates told me that when he could not decide whether to apply to graduate school, he wrote an email to Greg Mankiw asking for his advice. Mankiw actually called him back and they had a chat about application strategies. Not all professors want to be helpful, but many of them really do and you need to ask them.

How to pick where to apply Talk to the professors that are helping you put together your applications. Aim high, but have safe options if you really want to go. Look at the rankings and if you know what fields are important to you, look at rankings within fields. Americans do care about rankings a lot and their ranking of graduate schools is quite good. The programs are way more standardized and the rankings take good care of incorporating placement after graduation (which is what most students care about). It is really difficult to compare European PhD programs to US ones. The systems are often different. Do not rely on rankings based on research output (like Repec), but on

rankings based on the quality of the graduate program. Look for professors in their mid-careers that work on topics you are interested in (senior professors are an amazing source of advice, but are not as productive in research). Presumably you know why you are applying to the schools you chose, which helps you write your statement of purpose.

Studying in Ann Arbor

A big advantage of the University of Michigan is the city. Ann Arbor is quite small, but has a lovely downtown, many restaurants, cafes and movie theaters which gives it quite a European vibe. The city evolves around the University of Michigan campus and as such is full of student life. Moreover, it is an hour from Detroit, 4 hours from Chicago and 6 hours from Toronto. Michigan is surprisingly similar to the Czech Republic (its economy is all based on car production and beer). The nature is beautiful and there is a lot to explore, especially if you make a trip to the lake. The University of Michigan is also known for its sports teams and its American football stadium is the second largest in the world.

What to do after graduation?

Most international students come here to land a job in academia, a central bank or an international organization. Many Americans will also add government jobs on their list, because in the US a lot of jobs in the government sector require you to have a PhD. When you choose your program, check the job market placement record of that department³. If you have a dream job in mind, try to find out what are the expectations of your potential future employers and where their most recent hires come from.

If you have any more questions, feel free to contact me at ranosova1@gmail.com or tranosov@umich.edu. I am happy to help.

³This is the placement record of the University of Michigan