



---

GUIDE TO CAREER OPPORTUNITIES IN

# ECONOMICS



AMERICAN UNIVERSITY  
WASHINGTON, DC



In a world where we are more and more connected and data is increasingly being used to predict future outcomes, the career options for economics majors and graduates have never looked better.

Companies, nonprofit organizations and government agencies need the help of experts in economics to help them understand the forces that shape the marketplace and our world. Economists work in a wide range of settings and are in demand across virtually every industry, including finance, healthcare, nonprofit and academia.

The study of how people and organizations use resources, make decisions and deal with scarcity is useful in hundreds of jobs and in a range of industries. Although many careers involve finance and banking, economics is a much broader discipline that can track historical trends to provide a lens through which to view the future and make predictions, as well as help solve economic and social problems at home and around the world.

The volume and variety of career opportunities in the field of economics mean there is tremendous value in studying economics as an undergraduate or graduate student. An advanced economics degree, such as a master's or Ph.D., is particularly valuable if you wish to secure one of the higher paying careers in the field. This guide will help you discover what those career opportunities are so you can chart your path and prepare for the next chapter in your life.

# WHERE DO ECONOMISTS WORK?

## 1. The Public Sector

Governments at every level, from city councils to the federal government, hire graduates in economics to evaluate and analyze their operations. According to the Office of Personnel Management, “Economists contribute to some of the most fundamental processes of government.” For example, economists collect, analyze, interpret and publish data and information that helps government officials learn about the society being governed. Economists also provide crucial data that helps officials with policymaking and legislation decisions concerned with foreign policy, national defense, agricultural subsidies, social services and virtually every other major national and international issue.

In addition to general research and analysis positions, Government economist positions may be classified into the following specializations:

- Financial Economist
- Labor Economist
- Regional Economist
- Industry Economist
- International Economist
- Agricultural Economist

### Is this career path right for you?

Working in the public sector offers job stability and the chance to work on important social problems, and potentially helping to improve the lives of others. Jobs in the public sector are often more secure than those in the private sector, but can be lower paying. However, compensation for public sector economists is still quite good compared to many other professional careers. As of September 1, 2015, the majority of economist positions listed on USAJOBS, the Federal government’s official job site, were listed with a salary between \$75,000 and \$125,000 annually.



Ask yourself these questions to help determine if this career path is the right fit:

- Is there a problem I am passionate about working to solve?
- Am I comfortable with the strict hierarchy that comes along with public sector work?
- Am I comfortable making less money in order to work on something I am passionate about?

## 2. The Private Sector

Economists who work in the private sector are often tasked with helping business leaders and owners understand how the economy will impact their business. They may be asked to analyze the future demands of consumers so the company can plan how to use their resources most efficiently.

Banks and other financial institutions depend on economists to help analyze the risk of loaning money to an individual or business. Social media companies use economists to evaluate the potential ad revenue of a single user or to determine how likely a user is to upgrade to a paid membership. Insurance companies hire economists to project and help write budgets, look for trends in the insurance market and evaluate the profitability of the company. Amazon.com, one of the leaders in hiring economics graduates in the private sector, even employs economists to monitor and evaluate the cost of delivering its products to customers.



### Is This Career Path Right For You?

A career as an economist in the private sector comes with many benefits, including some of the highest paying jobs among practicing economists. Private sector work also allows for more flexibility or diversity than public sector work and economists in the private sector may have more freedom to work outside their specific job title or pursue projects with minimal oversight. The drawbacks to private sector work can include high-pressure work environments where deadlines are tight, as well as less job security than in the public sector. Competition for entry-level jobs can be very high, which is why applicants with a background and/or an advanced degree in economics stand out from their peers.

Ask yourself these questions to help determine if this career path is the right fit:

- Will I be comfortable working in high-pressure situations?
- Is a quick path to promotion or pay raise important to me?
- Do I want to work on a diverse range of projects?

## 3. Consulting and Research

For economics majors or graduates who want to work on a diverse range of topics, working at a consulting or research firm may be the answer. Economists working in a consulting role may focus on microeconomics, while those in a research role take on more global issues, focusing on how large economies interact. Consulting firms help their clients with a wide range of problems using economic and quantitative principals to provide studies, reports, and expert testimony.

For economics graduates who want to work on public policy but aren't a good fit for public sector work, research and think tanks may be a perfect alternative. Organizations like The Brookings Institution conduct research to help solve problems on a local, national and international scale that can have just as big of an impact as economists working in the public sector or in the field of international development.

According to IDEAS, the largest free online bibliographic economics database, the top economic think tanks in the United States are:

- National Bureau of Economic Research (NBER)
- Brookings Institution
- Resources for the Future (RFF)
- American Enterprise Institute
- Urban Institute
- Cato Institute
- Center for Economic and Policy Research (CEPR)

It's interesting to note that of the top 50 global economic think tanks in the world according to IDEAS, seven are located in the nation's capital. If you're serious about pursuing a career in economic consultancy and research, consider an advanced degree from a school located in Washington, D.C. among some of the best think tanks in the world.

### Is This Career Path Right For You?

Working for a research or consulting firm offers the benefits of both the public and private sector. Economists working for research or consulting organizations have the opportunity to work on societal problems dear to their hearts, without the strict confines of a government agency. However, recent graduates, especially those who have only completed a bachelor's degree, may have trouble finding employment with the best think tanks or consulting firms. One of the side benefits of working for a think tank or consulting firm is the contacts you can make working with CEOs of large companies or high ranking members of the federal government.



Ask yourself these questions to help determine if this career path is the right fit:

- Am I comfortable working on a team to produce results, rather than working independently?
- Am I comfortable working on a great variety of topics, even those not personally important to me?
- Do I mind doing a lot of qualitative research, collecting data and analyzing large datasets?
- Do I need to have a personal stake in the research I perform?

## 4. International Development

Economists who want to tackle large-scale problems or and who excel at seeing things on a global scale may want to consider a career in international development. The rapid pace of globalization has increased the demand for professionals who understand how market forces can be harnessed to empower developing countries to break free from long and vicious cycles of poverty. Institutions like the International Monetary Fund, The World Bank, The United Nations and organizations like the U.S. Agency for International Development all hire economists to help generate strategies for helping specific countries and regions.

Competition for these jobs can be high, and one of the ways to break into the world of international development is through a program like the World Bank Group Analyst Program. The three-year program allows participants to work in a specific practice, region or corporate unit within The World Bank, one of the largest sources of assistance for the world's poorest countries. Individuals who participate in the program will grow their skills in areas from analytics and data management to communications and information technology. Participants also have a leg up on starting their careers in international development and may have an opportunity to continue their career with The World Bank.

With or without an experience like the World Bank Group Analyst Program on your resume, having an advanced degree in economics will ensure you have the fundamental and practical skills necessary to help solve some of the world's most pressing problems.

## Is This Career Path Right For You?

Working for an international development agency can be a rewarding experience, allowing economics graduates the opportunity to work on solving large-scale social problems. A career with an international development agency can be difficult too, sometimes involving travel to underserved and dangerous parts of the world. It can also be frustrating working towards a broad goal like reducing poverty that may not yield tangible results immediately. But for those with a passion for helping others and making a difference in the world, there are no more fulfilling destinations for economists than the field of international development.

Ask yourself these questions to help determine if this career path is the right fit:

- Am I passionate about making a difference in the world?
- Am I comfortable with regular travel to unfamiliar and potentially dangerous parts of the world?
- Will the pace of work and constant travel put a strain on my relationships?
- Can I work towards a goal knowing it may never come to fruition in my lifetime?

## 5. Academia

Another option is to become an economics professor at one of the many colleges and universities across the country. A Ph.D. in economics is required to become a professor at a four-year college, while those who prefer to teach at two-year colleges can be eligible with a master's degree. In addition to an advanced degree, the ideal candidate for a teaching vacancy must be able to demonstrate the ability to clearly communicate complex economic principals to the general public.

According to the American Economic Association, the number of students pursuing PhDs in economics has declined, which could mean excellent employment opportunities for those who graduate with a Ph.D. in economics in the coming years. The Bureau of Labor Statistics projects approximately 4,700 job openings for econ teachers at colleges, universities, junior colleges and professional schools in the next decade.



BLS statistics also show that postsecondary economics teachers earn an average salary of \$94,000 per year.

## Is This Career Path Right For You?

Many who choose to pursue a career in academia do so for the ability to conduct research and publish in well-known economic journals like *The Quarterly Journal of Economics*. Professors of economics are also frequent presenters at industry conferences. If you want to help shape the next generation of economics professionals or even simply share your passion for applied economics with young minds who can benefit from the study and practice of economics, the academic career path is right for you. Although there are higher paying careers in the field, econ professors typically enjoy much higher job security than economists in the field.

Ask yourself these questions to help determine if this career path is the right fit:

- Am I primarily interested in the research side of economics?
- Do I want to publish and/or present my findings?
- Am I comfortable with an extended education in order to become a professor?
- Do I enjoy explaining both basic and higher-level economics to students?



## SIMILAR CAREERS IN ECONOMICS

Depending on your area of interest, an economics degree will make you highly desirable for a number of closely related careers in multiple industries. The analytical and problem-solving skills you will develop as an economics student—or those you have already gained working in the field of economics—will open the door to a

large number of career paths and advancement opportunities. The following pages outline just a few examples of similar careers, but the skills that an economics education provides can lead graduates to countless other successful careers.





## Market Research Analyst

Market research analysts study market conditions and indicators to predict future sales of a product or service. Economics majors and graduates put many of the same skills to use in a career as a market research analyst, mainly an in-depth understanding of the market and how supply and demand impact consumer decisions.

### Quick Career Facts

Salary (2015 Median Pay)	\$62,150
Job Outlook (2014-2024)	19%
Employment Change (2014-2024)	+92,300

Source: [Bureau of Labor Statistics](#)

## Operations Research Analyst

Operations research analysts use advanced analytical research and investigation methods to help organizations solve complex issues and make better decisions. Analysts use databases, statistical programs and modeling packages to analyze and solve an organization's operational problems. Operations research analysts use many of the same tools and research methods as economists to analyze information and develop solutions, including statistical analysis and predictive modeling.

### Quick Career Facts

Salary (2015 Median Pay)	\$78,630
Job Outlook (2014-2024)	30%
Employment Change (2014-2024)	+27,600

Source: [Bureau of Labor Statistics](#)

## Financial Analyst

A financial analyst provides guidance on investments to people and businesses, assessing the performances of stocks and bonds, as well as other types of investments. Financial analysts spend time studying the workings of the market and researching financial data in order to provide their clients with the best advice. As an economics graduate, your skill in dealing with numbers and researching and explaining your findings will come in highly useful when presenting investment options to a client.

### Quick Career Facts

Salary (2015 Median Pay)	\$80,310
Job Outlook (2014-2024)	12%
Employment Change (2014-2024)	+32,300

Source: [Bureau of Labor Statistics](#)



# ECONOMICS CAREER ADVANCEMENT REQUIREMENTS

Whatever career path you choose in economics or a related field, you will undoubtedly want to advance your career and climb the ladder of success towards better positions with more responsibility and higher pay. As you chart your future career, or as you look for opportunities to advance within your current role or organization, keep these career advancement requirements in mind to ensure you have what it takes for future success.

## **Professional Skillset**

Professional economists use all the skills in their toolbox on a daily basis in order to help others better understand the world and the economic forces that shape it. A major feature of economics is analyzing complex data and looking for trends and predictions to help with decision making in the future. To do this, economists need good analytical skills, an eye for data patterns, the ability to infer meaning from complex data sets and the ability communicate findings in clear and concise terms to non-economists. You will develop and refine these skills while working and/or pursuing an advanced degree.



## Advanced Degree

While there are jobs economics majors can get with a bachelor's degree, some of the best jobs come with a higher education requirement. For those who wish to pursue their economics education beyond a bachelor's degree, a master's or Ph.D. will provide you with the practical skills and theoretical knowledge needed to make an impact as an economist. For example, consider this sample of the coursework from the online MA in Economics from American University to understand how an advanced degree will prepare you for career advancement and success:

- **ECON 605, Introduction to Mathematical Economics** – This course will provide the foundation for the mathematical skills necessary for a graduate-level study of economics, including integration, matrix algebra, comparative static analysis and differential calculus.
- **ECON 623 / 624, Applied Econometrics I & II** – These courses will introduce and advance your understanding of econometrics, the application of statistical and mathematical theories to economics for the purpose of testing hypotheses and forecasting future trends.
- **ECON 680, Capstone Seminar** – The semester-long Capstone project is your opportunity to apply the knowledge and skills you have developed during the course of your master's program in a real-world scenario. You will develop a clear and specific research question, adapt an economic model, develop a testable hypothesis, find and collect data, use statistical analysis and present your findings to classmates and esteemed faculty members.
- **Elective Courses** – Students will have the opportunity to focus their master's degree to fit their passions and/or career goals through elective courses such as labor economics, public sector economics, and finance.

### Is a Master's Degree in Economics Worth It?

According to the 2014 NABE Salary Survey, respondents with a bachelor's degree commanded a median base salary of \$71,400. Those with a master's degree reported a base salary of \$111,000. The report also revealed that more than 90 percent of respondents had an advanced degree, making the completion of a master's program or higher almost a prerequisite for a successful career in economics.



## A FINAL WORD...

A degree in economics offers graduates a wide range of options for careers, both as economists and in other areas. A vast array of companies and agencies need economists and those with the skills and training of economists to help plan for their financial future and to help understand an increasingly complicated world marketplace. An advanced degree from American University affords you the opportunity to increase your earning potential, expand your knowledge base and take advantage of American University's highly esteemed faculty in the heart of economic policy, Washington, D.C.

Students who complete the online Master of Arts in Economics from American University will gain a better understanding of the real-world applications of economics to make a difference in the world and in their careers. In fact, more than 96 percent of AU Master's in Economics graduates are seeking further study or employed in the field.

For more information on how to continue your economics education, call (855) 725-7614 to speak with an admissions representative or **[request more information online](#)**.

THE AMERICAN UNIVERSITY



AMERICAN UNIVERSITY  
WASHINGTON, DC

[programs.online.american.edu/econ/masters-economics](https://programs.online.american.edu/econ/masters-economics)