

The Making of Star Economists

BY TIM SABLİK

Every January, hundreds of newly minted economics Ph.D.s travel to the annual Allied Social Sciences Association (ASSA) meeting to engage in a whirlwind of interviews and presentations. (See “Scrambling for Economists: The Ph.D. Job Search,” *Econ Focus*, Fourth Quarter 2015.) Only a handful of these job-seekers land jobs at the most prestigious research institutions. In a recent article in the journal *Economic Inquiry*, titled “Young ‘Stars’ in Economics: What They Do and Where They Go,” Kevin Bryan of the University of Toronto investigated which new economists rise to the top of the entry-level job market. In other words, what makes a young economist a star?

Bryan defined stars as those job candidates who attract a high level of attention from academic employers. After the ASSA meeting, academic departments seeking to hire economists invite their top picks to present a seminar on their research and meet with their potential colleagues — an occasion known as a “flyout.” Bryan classified the candidates who get a certain number of flyouts, weighted by the prestige of the institution extending the invitation, as stars. Using this criterion, he examined data on flyouts for young economists between 2013 and 2018. Of the more than a thousand economics Ph.D.s awarded each year during that period, Bryan identified 226 stars.

One potential problem with using academic flyouts as a metric for star power is that it may overlook promising young economists who forgo academic work and instead go straight into the private sector. Reserve Banks, companies, and other nonacademic employers also conduct interviews at the ASSA meeting and post jobs alongside academic employers. As a result, many candidates apply for both academic and private sector jobs at the same time. Thus, Bryan argues that even star economists who choose the private sector are still likely to apply to and attract attention from top academic employers.

As it turns out, entry-level stars overwhelmingly choose employment in academia. Bryan found that nearly half of the stars took a job at one of the top 15 economics departments in the United States as ranked by the 2018 *U.S. News & World Report*. Another 21 percent took a job at a top 10 U.S. business school. All told, 86 percent of the stars in Bryan’s sample took a job in American academia. In contrast, only one candidate out of the entire 226 took a temporary position in the private sector, and that individual later returned to academia.

Other studies suggest that new economics Ph.D.s as a whole are more likely than stars to take a private sector job, and the embrace of economists by the private sector seems to be increasing. (See “The Technologist

in the Machine,” *Econ Focus*, Third Quarter 2015.) In a 2014 article in the *Journal of Economic Education*, Wendy Stock of Montana State University and John Siegfried of Vanderbilt University found that the share of new economists who accepted jobs in the private sector was higher in 2011 than in 1997 and the share employed in academia was lower. Bryan’s research suggests that top economics talent does not seem to be following the same trend.

Just as many new stars end up working in top economics departments, they also tend to come from top departments. Nearly half of the stars in Bryan’s sample earned their Ph.D.s at one of five American universities — the Massachusetts Institute of Technology, Harvard University, Princeton University, Yale University, or Stanford University. Including another six top schools increases the share of stars to nearly 85 percent. Nearly all stars also have an undergraduate degree in economics or some technical field such as math, statistics, or engineering.

One trait that might seem predictive of star power, publishing papers while in school, does not seem strongly correlated with higher job prospects. Bryan found that about half of the stars in the sample did not publish a paper while in school. For those who did publish, their papers tended to be theoretical rather than empirical.

Bryan’s study also suggests that the gender imbalance present in economics generally is even more pronounced at the top. He found that stars are overwhelmingly male: In 2018, less than 17 percent of stars were women. This is even lower than the roughly 30 percent of women who pursue econ Ph.D.s each year on average. These low numbers have sparked a debate in the profession about potential barriers for female economists. (See “Where Are the Women?” *Econ Focus*, Second Quarter 2013.)

The fact that many of the stars who go to work in top departments graduated from top departments could raise concerns about academic “inbreeding.” Bryan examined this and found that very few stars in his sample take a job at the same institution where they earned their Ph.D.s — only around 2 percent. But he cited other studies that note that a higher share of faculty at top economics departments come from top departments than in other fields such as math or literature.

Addressing these concerns, Bryan noted that “to whatever extent social closure or other forms of irrational path dependence restrict the entry and diffusion of potentially important new researchers, we ought to be especially concerned about the process by which the next generation of gatekeepers is chosen.” **EF**