



GREETINGS FROM THE U OF T MA ECONOMICS ALUMNI ASSOCIATION

The first MA Alumni Lunch was held at Trattoria Mercatto, 220 Yonge Street, Toronto on May 5th, and it was a success! About 30 alumni and graduating students attended, mingled with fellow alumni and former classmates, networked with experts in various industries, and met new friends.

The MA Alumni Association extends a heartfelt thanks to those who attended the function, and to the Department of Economics for supporting and sponsoring it. We are also very thankful for the personal involvement of Department representatives, Ayesha Alli and Sheila Matthen, both of whom provided much-appreciated assistance with planning, organizing, and making the event happen for all of us.

We hope that you enjoyed the day and that you stay connected with fellow alumni and the Department. (For those who asked about *Tradeoffs*, the Department newsletter, both past and upcoming editions can be found under the “News” tab at <http://www.economics.utoronto.ca>). Remaining engaged with your fellow MA alumni will enable you to learn of professional development opportunities that may exist, and will also give you a chance to reconnect with your old friends from the program. Those who missed this event can be assured that preparation for other future events will be underway, so we hope that you can join us next time.

The next event will be a campus visit: we are going to visit the Economics Department on **Oct 1, Monday** at 5:30pm to meet the incoming MA students. If you are interested in sharing your experience with the students, please email us at ma.alumni@economics.utoronto.ca. If you cannot participate due to schedule conflict, please feel free to pass your message to us (at the same email address) and we will send your message!

Some alumni have shown interest in contributing a piece, and we are always looking for more volunteer contributors. We welcome you to share your experiences and insights for the benefit and encouragement of recent graduates who are exploring how to best leverage their MA degree.

We would like to host a similar networking event in other regions- because our MA alumni are successful worldwide! If you are currently outside the GTA and would like to volunteer as a ‘Regional Chapter President’, please let us know. Each Regional Chapter President will be responsible for organizing regional MA alumni events, with support from the Department.

Thank you very much for your warm support, and we hope to meet you at the next event! The pictures from the event are available on page 7 and 8.

<http://www.economics.utoronto.ca/index.php/index/graduate/alumni>

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CAREER TALK 1: ACADEMIA & CONSULTING - ASHER DRORY, PROFESSOR & CONSULTANT



Asher, you have a varied career touching both the private and public sectors, as well as academia and management consulting. What led you to move to consulting?

I very much enjoyed microeconomics as a graduate student. I was interested in applying modern “micro” to the real world and that led me to a position at Ontario Hydro which

was decision-support, involving microeconomics as applied to capital budgeting. After mastering capital budgeting applied to large corporations, I wanted even more application in a broader setting. So, after 4 years at Hydro, I joined a large management consulting firm called Touche Ross + Partners (now called Deloitte) and slowly built up to a 4 person micro-economic practice serving large private and public organizations. We got good at writing competitive bid proposals.

What would you say is the biggest challenge of being an independent management consultant today?

Today's largest challenge is obtaining an absolute niche. In other words, having known expertise in a very specific area which, hopefully, has a relatively large market demand. With so many MBAs running around competing with MA economists, I am afraid the economists may have difficulty showing off a valuable and rare skill set. Many MBAs can do wonders with spreadsheets and statistical packages. Make sure you have a comparative advantage and a good idea of target clients and their needs.

How did your Economics training help with your subsequent studies in Finance (MBA and CFA) and in your current academic role?

That is an easy question. I found having a very good understanding of modern microeconomic to be the basis of all business decision-making. Micro underlines all of modern financial theory and practice, and so solid economics training facilitates a strong understanding of the dynamics in the world of finance. Being able to explain what happens in the business world in terms of economics is also behind why I ended up teaching at the academic level at business school for over 20 years on a part-time basis. I teach for fun and it's challenging, as you need to keep you sharp - you have to swim faster than today's modern students who are "barracuda" like.

In what ways can Economists add value to the strategic and business planning process of a firm?

Economists can add value by encouraging business decisions that are grounded in thorough economic analysis. Proper business decision-making relies on rational economic thought and analysis. However, many actual business decisions are often done in an irrational way. When alternatives are not examined thoroughly, or when there is limited evaluation of decision criteria, conclusions become wrong. For example, I give you the federal government's F 35 airplane program. How can you evaluate a decision when there is only one alternative? Economists can positively influence the strategic direction of a firm by ensuring that thorough economic analysis stands behind every major business decision being assessed.

What course specializations or skills do you think would give a candidate good grounding in what is expected of analysts in certain regulated industries (e.g. utilities, telecommunications, banking, insurance)?

A good economic theorist with a practical orientation will find it easy to add significant value to business decision-making in any industry. For jobs in utilities, telcos, and banks, I think that the standard statistical courses, such as econometrics, and obviously microeconomic theory, of which I'm a very strong proponent, plus one or two courses in mathematical economics are very helpful. If there's one thing I under-worked 35 years ago, it is in the area of mathematics. I should have taken more of it. No amount of mathematics is a waste in business. Large modern corporations will tend to use mathematical programs. For example, in risk management of financial institutions, it is imperative to have a strong math background, and many of their staff have PhDs in quantitative sciences.

CAREER TALK II: DOCTORAL STUDIES & RESEARCH - ADAM FOUND, PHD CANDIDATE

Adam, you moved from an MA in Economics to the Ph.D. program with research activities in public finance and urban economics. What made you become interested in these fields?

Ever since my third year of undergrad, where I took both public finance and urban economics (my favourite classes of course), I have been very interested in these fields. Throughout my upbringing municipal and provincial politics were often topical around my family's dinner table – both my father and grandfather served in elected municipal office in Victoria County. I would say however that the single most influential event steering me toward public finance and urban economics would be the provincially-forced amalgamation of my home county (Victoria County) of 16 lower-tier municipalities and an upper-tier municipality into one single-tier municipality in 2001, which was extremely controversial within my community. This event had such an impact that in my final year of undergrad that I enrolled in a 4th year Reading/Thesis course (individual study) with the approval of the Economics Department to investigate the amalgamation of Victoria County and its aftermath. The study concluded that amalgamation has not worked as predicted, and in fact municipal costs have risen dramatically since amalgamation in terms of both level and rate of increase.

You were awarded the 2009-2010 Alan Broadbent Graduate Fellowship, and presented your research findings on the effects of municipal amalgamation to the Institute on Municipal Finance & Governance. What kinds of people are interested in this topic, and why?

This sort of topic touches quite a cross section of people. When I presented my preliminary results in April, 2010, the seminar room was unexpectedly jammed with professors and other academics, municipal and provincial officials, municipal politicians, university students, and regular citizens. My sense is that the question of municipal amalgamation is one which stretches beyond academia and into the realm of everyday discussion on the street. Just by taking a quick look at the municipal political discourse almost 15 years after the Metro Toronto amalgamation, where we are talking about regional transit, outsourcing, the downtown-suburban divide, and logrolling that takes place at Council, I see that municipal structure is implicitly at the heart of it all. Whether average citizens are aware of it or not, municipal structure plays a significant and defining role in how their municipality operates and how they relate to their municipality. The research I did for the 2009-2012 Alan Broadbent Graduate Fellowship has now turned into my first dissertation chapter, and is forthcoming (2012) as an IMFG publication.

What kinds of job opportunities have you encountered in these fields?

Throughout my academic career, I have worked summer jobs for both the Ontario Ministry of Finance and a municipality, experiences which reinforced by interest in analyzing public policy issues which develop at the municipal and provincial levels. I have worked on several different consulting projects for various clients, including the On-

tario Ministry of Finance, City of Toronto, Gladki Planning and Associates, and the Toronto Board of Trade. These consulting projects covered interesting topics such as property tax reform, tax increment financing, and municipal cost analysis. Also, I have recently been working as an RA for the Institute on Municipal Finance and Governance at U of T, where I am consulting with the Ontario Ministry of Municipal Affairs and Housing to assist Professors Enid Slack and Richard Bird with a paper study the effects of the 1998 amalgamation of Metropolitan Toronto. Finally, for the C.D. Howe Institute, I am also currently co-authoring a paper with Professor Peter Tomlinson focused on incorporating the Business Education Tax (a property tax) into Ontario's Marginal Effective Tax Rate (METR) on capital investment. There have been so many job opportunities in my fields of interest that I am forced to turn some of them down in order to balance with my Ph.D.

If you had a chance to “turn back the clock”, what would you do differently to better prepare for the challenges of doctoral studies?

That's a good question. I imagine like most Ph.D. candidates, I didn't plan on taking a Ph.D. at the time I was enrolling for my first year of undergrad. I suppose something I would have done differently would have been to work even harder for my undergraduate mathematics courses. Those courses, especially calculus and statistical inference, lay the groundwork for much of the complicated mathematical tools economists are using today. Even having graduated with a B.Sc. in mathematics and economics and having a solid background in statistics, I found the Ph.D. program still presented mathematical challenges.

The flood of new types of data from wireless telecom networks, electronic public transit passes, and location-based social media has uncovered many population patterns in cities. How do you view the convergence and collaboration in the work of traditional stand-alone disciplines of geographic planners, urban economists, and demographers?

Another good question. I don't really subscribe to the notion that academic disciplines function as isolated silos – I think there is quite a bit of overlap moving from one discipline to the next. There is no question that significant demographic and geographic changes are taking place around the world, and that these changes can be analyzed with an economic lens. I think academic economists like professor David Foot (U of T) and professor Edward Glaeser (Harvard U) have been successful in helping to define the connections and overlap between economics and the disciplines of geography and demography. Such researchers have capitalized on the data-enriched and computer-powered world in which we now find ourselves. Some of the micro data and statistical computing power now available could only have been dreamed of just a couple decades ago. These are certainly interesting times, and I expect we will continue to see economists working closely with experts in other disciplines.

CAREER TALK III: HUMAN RESOURCES CONSULTING - ALON HONIG, CONSULTANT



When did you graduate from U of T's MA program in Economics? Was it hard to find a job?

I graduated in spring 2011 and while the worst of the job market was over we were still feeling the coat-tails of the downturn. The blue chip employers such as the government and banks

were drastically reducing their graduate programs. Most of the interest came from smaller firms in niche industries: consultancies, think tanks, import/export, lobby groups. I ended up drastically changing my expectations as to how the market valued my skills.

What is your current role at your company?

Officially, I am an Associate that provides analytical services to employers. We specialize in the financial risk associated with employee benefits. Unofficially, project management and teamwork consume a large portion of my time.

What do you actually do?

Lots of excel work. Most of the data handling is done in Excel as it makes collaboration easier. Being consultants we also have to manage large amounts of dissipate documentation that often involves much time being engaged with the printer. I also spend a surprising amount of time responding to emails asking for clarification though I am not exceptional in that regard.

How do you spend your typical day?

I am mostly at my desk working on Excel spreadsheets, responding to emails, and making phone calls. In our industry we usually do not meet clients very often (at most 4-5 times a year) and most of the communication is remote. I might have an hour meeting on the status of a project followed by an extra hour of informal discussion.

What do you like about your job?

I really like the flexibility and independence that comes with a consulting environment. The projects that I work on are highly specified to the client and can be extremely analytical at times. There is something very satisfying about knowing exactly where your interests lie.

What would you suggest to someone wanting to break into this field?

Network. Many of the skills required for good networking overlap directly with the specifications of a good consultant. My industry is a fairly small one and good impressions will get the word will get out very quickly.

How does your MA experience relate to the job?

Most of the stuff that I learned in the MA program bears little relation to my current position. There are specific skills though such as journal reading, programming, and econometrics that continues to be very useful. General economic principals even though the MA program did not emphasize them are very useful in the workplace. It helps one pick up things very quickly and communicate those results very quickly.

What would you do differently if you go back to grad school?

Spend more money. I lived very modestly, trading off happiness for money at a very inefficient margin.

CAREER TALK IV: ECONOMIC CONSULTING - JESSICA YU, SENIOR ECONOMIST/ MANAGER



Jessica holds a BA Honours degree in Economics from Simon Fraser University and completed her MA in Economics in 2007 at the University of Toronto. Since graduation, she has worked as an economic consultant in Toronto and in Vancouver, and has taught economics courses at Langara College. Currently, Jessica is a senior economist and manager at PricewaterhouseCoopers (PwC). Jessica also sits on the board of directors at the Asso-

Why did you choose consulting?

I really enjoy consulting because it allows me to work on a variety of projects for different sectors. So far, I have worked on several government projects as well as projects in the entertainment, telecommunications, tourism, mining, utilities, agriculture, forestry, and clean technology sectors. Being a consultant is never boring. I am constantly working on different types of projects which makes it challenging but also interesting and very rewarding.

Do you have any advice on how to become an economic consultant?

My advice to those who would like to become an economic consultant is to start building a professional network as early as possible. A good place to start would be to join professional associations such as the Canadian Association for Business Economics and attend their monthly networking sessions. This is a great place to meet professional economists and to gain a better understanding of what opportunities exist. Consulting is a very quantitative and analytical job, especially when you are just starting out. Gaining work experience, such as a summer internship will help you build a portfolio of project experience while demonstrating your analytical skills.

What do you do as an economist at PwC?

As a senior economist and manager at PwC, I provide expertise on a variety of projects and initiatives to help clients make more informed decisions. Clients look to us for insight and advice to help them address their business issues and achieve success. I help them achieve this by developing economic models and providing clients with objective, fact-based analysis that they can rely on.

Typically, clients reach out to our group when they are planning a major investment, applying for a government subsidy, would like to gain a better understanding of the nature of their industry, its trends or want to demonstrate the importance of an initiative. I work with clients to provide them with an understanding of how their investments or industries impact the surrounding regions and the economy as a whole. I also work with industry associations to develop industry profiles and provide market research support.

How does your MA experience relate to your job?

Becoming a consultant seemed to parallel my academic experience. I have the opportunity to work on many different projects which are research intensive and required knowledge of economic theory. Working as an economist at PwC, I am required to build economic models, interpret data and provide conclusions and recommendations to clients. The MA program has equipped me with the skills to solve problems using a structured and analytical approach, which has been invaluable in my daily tasks. Clients rely on my expertise to make more informed decisions, and a MA adds enormous credibility and value, not only to my clients but also to the company I represent.



CAREER TALK V: WORKING FOR THE CENTRAL BANK - IRINA SKYLEV, ECONOMIST

What do you do as an Economist at the Bank of Canada?

I work in the Financial Stability department of the Bank of Canada and I conduct research on a variety of topics relating to financial stability in Canada and around the globe. Part of my job is building econometric models that explain the relationship between macroeconomic variables such as household credit. Another part of my job is analysis and writing briefing notes for senior staff at the Bank. There is a lot of interaction with my colleagues, who provide valuable insights into my research assignments.

How do you spend your typical day?

My typical day begins with reading world news and making notes. There are some short-term assignments where I have to write a briefing note for the Governing Council or the Governor. And there is usually a long-term project underway where you get to be creative and have a chance to work with other people. Quite often I have to do research on a topic I never thought about before, so the job is very challenging and there is a constant learning curve. Because of the nature of this job there is always uncertainty over how to approach your assignment or find an optimal solution; luckily at the Bank of Canada there is an informal open door policy, so you can consult with pretty much everyone (except the Governor, of course, as Mark Carney is a very busy individual).

Why do you like your job?

I get to work with very smart people, so there is always an opportunity to learn. Since I do analysis on issues relating to global economic and financial stability, I always have my own interpretation of concurrent market conditions and have an opinion on underlying risks. The culture in the organization is amazing - I certainly feel that my opinion matters. There are lots of PhDs at the Bank of Canada but no matter what your background/experience is your input is always valued and appreciated.

How would you suggest that I break into this field?

If you do not have relevant experience, then the best way to get an Economist job is to apply through various university recruitment programs (e.g. Bank of Canada, Federal Ministry of Finance, Statistics Canada, etc.). Getting an interview is a challenge. However, if you get one, try to spend more time preparing for it. The Master's program will keep you busy for 8 months but you need to find time to sit down and do your homework as interview questions can get very technical. However, conceptual understanding of how the economy works and how economic variables affect one another (something that you learn in an intermediate macroeconomics course) is absolutely crucial.

How does your MA experience relate to the job?

I am not working in a modeling department, so I do not use any of the sophisticated models you are about to learn. Nevertheless, I use Econometrics in my analysis and some programming skills that I developed through one of my electives. The MA program helps you develop transferable skills such as teamwork and self-discipline. These skills are important for any job.

What would you do differently if you go back to grad school?

I would not change a thing. Advice for new MAs: keep in mind that you have only 8 courses to complete your program, of which only 5 are electives. So when selecting your electives do NOT look for easier courses as what you learn over the course of the program is what you will take to the job market. Think about what you want to focus on, and choose your courses wisely.

PICTURES FROM THE ALUMNI NETWORK & LUNCH EVENT, MAY 5TH 2012





We are on LinkedIn and Facebook.

Join us online to see what other alumni are up to and find career opportunities!

http://www.linkedin.com/groups?home=&gid=3822696&trk=anet_ug_hm&goback=.gmp_3822696
<http://www.facebook.com/pages/The-Official-MA-Economics-UofT-Alumni-Association/199705850048588>

If you are not on our mailing list yet, or if you want to update your job or contact information with us, please email us at ma.alumni@economics.utoronto.ca, and we will notify you of any alumni events and newsletters.

Thank you very much for the contributors and Ayesha for their efforts and time.

The Alumni Association is run by volunteer alumni and we are always looking for volunteers.

Please email us at ma.alumni@economics.utoronto.ca
 if you are interested in contributing an article, mentoring current students, or just helping us in any way.
 Your participation helps us build the Alumni network.

Also, the Alumni Association welcomes the incoming MA students! Best wishes for the upcoming academic year!