

TRADITIONAL AND EMERGING CAREERS IN ECONOMICS

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Paul A Samuelson, a leading economist and a Nobel Laureate, once said -'I don't care who writes a nation's laws or creates its advanced treatises, if I can write its Economics textbooks.' The statement conveys the importance of economics from an economist's point of view. This is just one perspective. In fact economics is an important subject from all perspectives. Developments and changes in economy influence larger sections of population. Economic and social developments are inter related. Consistent and all round economic progress is on the agenda of every government. The subject offers varied interesting traditional and emerging career opportunities. Traditional career opportunities have mostly been in teaching and general research.

Emerging opportunities are spread all around.

What Economics is about?

Economics is considered both pure science and social science. Many economists believe that in economics, a problem is solved by adopting a scientific approach, which involves collecting and analyzing data and making related laws and theories. As such it is a discipline of science. By others it is classified as social science as it studies the behaviour patterns of human beings. This classification is based on the belief that the basic function of economics is to study how individuals, households, organizations, and nations utilize their limited resources to maximize their profit.

Economics has two divisions- microeconomics and macroeconomics. Microeconomics deals with what economic

choices (like spending, saving etc.) people make and how these choices affect demand and supply scenario. Hence it is the study of economic behaviour of individuals, households, firms etc. Macroeconomics takes a look at bigger economy -national or global. It covers issues like gross domestic product, interest rates, inflation rate, employment scenario of a country. It also touches upon international trade and the overall impact of imports and exports on a nation's economy. Microeconomics deals with the economic problems of a single industry or organization, while macroeconomics deals with the problems of economy as a whole. Both these branches contribute a major part in business analysis and decision-making directly and indirectly.

As a student of economics you get to read and explore

economic theories and principles, laws of supply and demand, factors of production, relation between economic growth and social development, inflation, money supply, consumer behaviour and many other topics.

Branches/Specializations

Economics have a number of branches which may also be considered as specializations. Many of these have been described below:

Applied Economics: Applied Economics employs economic theories into business practices. It turns abstract ideas into concrete practices. Practicability of a subject makes it more relevant and this is the reason how this branch of economics is in great demand.

Behavioral Economics: This branch of economics has evolved rather late but is

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catching up fast. Behavioral Economics tries to explain how human psychology determines economic decisions and how, many of the economic decisions taken by individuals are not necessarily logical or rational. It looks into aspects of choices; influences etc.

Development Economics: As the term suggests Development economics is a branch of economics that focuses on improving economies of developing and under developed countries. It looks into leveraging strategies related to health, employment, education, welfare etc. towards overall growth of a nation and make it progressive and prosperous. For a developing country like India it assumes more significance.

Rural Economics: Rural Economics looks into issues specific to rural areas which may be related to both farm and non-farm sector. Issues of land use, rural wages, migration, rural urban divide and income disparities are studied and examined under this.

International Economics: This branch of economics is a field of study that deals with trade of goods and services between nations. In other words, international economics is a field concerned with economic interactions of countries and effect of international issues on the world economic activity. Increasing globalization has brought this branch of Economics in limelight.

Labour Economics: Contribution of labour is what makes an economy tick. Labour economics seek to understand the relationship between, quality/quantity of labour and productivity. Dynamics of labour, labour welfare and related issues are covered under this.

Managerial Economics: Managerial economics covers study of economic theories, logics, and tools used in the business decision making process. It is concerned with economic tools that are relevant to business decision making. It applies various economic concepts, such as demand and supply, competition, allocation of resources, and economic trade-offs, to help managers in finding better outcomes.

Econometrics: Econometrics is a particular branch of economics which makes use of data analysis tools to analyse and find solutions to business and economic problems. With knowledge of econometrics data can be presented as models to make forecasts and

support decision making in areas like finance, marketing etc. It covers methods of identification, estimation and inference. The emerging discipline of data analytics heavily relies on econometrics.

There are few more branches like environmental economics, agricultural economics etc.

Where to study ?

Primarily economics is a generic subject which is taught across universities and colleges all over the world. However there are few premier institutions offering valuable courses in economics and related subjects. An indicative list of such institutes in India and their courses follows.

Delhi School of Economics comes under University of Delhi and offers B.A. and M.A. programmes.

Madras School of Economics, in collaboration with Central University of Tamilnadu, conducts M.A. in General Economics/ Financial Economics/ Actuarial Economics/ Environmental Economics.

Indira Gandhi Institute of Development Research at Mumbai has a M.Sc. programme in Economics.

Gokhale Institute of Politics and Economics, better known as Gokhale Institute, is one of the oldest research and training institutes in Economics in India at Pune. It offers M.Sc. in Financial Economics and Agribusiness Economics and also a Certificate Course in Computer Applications for Economic Analysis.

Economics and Planning Unit of Indian Statistical Institute New Delhi offers Master of Science in Quantitative Economics (MSQE).

All the above institutes also offer excellent opportunities for pursuing doctorate in economics subjects.

Some of well known universities conducting master's programme in economics are listed below:

Jawahar Lal Nehru University, New Delhi
Banaras Hindu University
Guru Nanak Dev University, Amritsar
Aligarh Muslim University
Utkal University, Bhubaneswar
Banasthali Vidyapeeth, Rajasthan
Gulbarga University, Karnataka
Jiwaji University, Gwalior
University of Kalyani, West Bengal
Shivaji University, Kolhapur
Jadavpur University, West Bengal
Kumaun University, Nainital
Ranchi University
Saurashtra University, Rajkot
North Eastern Hill University, Shillong

University of Kashmir, Srinagar
University of Kerala, Thiruvananthapuram

Many of the private universities have included postgraduate courses in their offerings. However before you join you should check the credentials, fee structure and value offered.

Career options

Mostly you require a postgraduate degree in economics for a robust career.

After having a good qualification in economics you can explore opportunities to work in multiple areas/vocations. Prominent among these are:

All India Services: Union Public Service Commission, headquartered at New Delhi, conducts Indian Economic Service and Indian Statistical Service examination on yearly basis. These are prestigious All India Services in which one gets opportunities to work in NITI Ayog, Ministries and other Government of India Departments. Graduates in Economics/ Statistics are considered eligible to apply.

International Agencies: Many international bodies like International Labour Organization (ILO), United Nations Conference on Trade and Development (UNCTAD), United Nations Development Programme (UNDP), United Nations Industrial Development Organization (UNIDO) etc., from time to time, look for people with diverse qualifications including qualification in economics. The requirement may be project based and for experienced people.

Banking Sector: Many public sector banks recruit Master's degree holders in the subject as economists. These are considered specialist positions. The position of chief economist in such banks may be through promotion or lateral entry. Private banks also need economists. In Reserve Bank of India postgraduates in Economics and related subjects are eligible to apply for grade B officers which is a managerial position. Economists in banks generally work in their policy making/planning department. Limited opportunities can be available with World Bank, Asian Development Bank, International Monetary Fund (IMF), etc.

Mutual Fund Companies: In Mutual Fund Companies you will be mostly concerned with investment decisions. One may be considered for the positions of equity researcher and equity analyst. In these roles you have to make comprehensive study of stocks and make recommendations about buying and selling of shares. Also you have to explore and evaluate

investment opportunities in debt instruments, bonds etc. Another position is that of fund manager available mostly to experienced people. A list of mutual fund companies operating in the country is available at the website of Association of Mutual Funds India (AMFI).

Stock Broking Firms: Stock broking firms also employ people from economics background to study equities and anticipate their future performance. Outcome of such study is used by the firms and also shared with investors to help them in their investment planning. Angel Broking, Motilal Oswal, Edelweiss, Asit C Mehta Intermediaries Limited are few of the leading stockbroking firms in the country. Many private banks have their own stock broking arms.

Other Apex Institutions: Securities and Exchange Board of India (SEBI), Indian Banks Association, National Housing Bank, Export Import Bank of India, Small Industries Development Bank of India also require services of economists.

Economic Analysis : As an economic analyst you may work independently or can get associated with agencies involved in such analysis: You may contribute your analytical articles to newspapers like The Economic Times, Business Standard, Financial Express, Businessline, Mint and magazines (like Economic and Political Weekly). Economic analysts are also required by media houses, news channels etc.

Teaching : Those with appropriate qualifications in economics and aptitude for teaching may apply to colleges and universities. All business schools also need economics faculty. A doctoral qualification will be of immense help for teaching to graduate and postgraduate classes.

Data Analytics: In past couple of years this theme is gaining big momentum. Business organizations are in possession of huge amount of data. Computational tools have made it easier to analyse this data to study trends and make predictions for future. Data analytics is applicable in many aspects of business like marketing, HR, production etc. Opportunities for data analysts exist in big business houses, banks, e commerce companies etc.

Research: Economics offers tremendous scope for research and there are diverse areas for research. Research can be pursued as a doctoral student at Universities, both Indian and foreign. Considering the importance of economic

research a number of institutes have been established to promote such research. Few of these are listed below-

National Council of Applied Economic Research (NCAER), New Delhi

Institute of Economic Growth, New Delhi

Indian Council for Social Sciences Research, New Delhi

Centre for Women's Development Studies, New Delhi

The International Institute for Population Sciences, Mumbai

National Institute of Labour Economics Research and Development, Delhi

Centre for the Study of Developing Societies, Delhi

National Institute of Public Finance and Policy, New Delhi

Ford Foundation, Shastry Indo-Canadian Institute, and many

other bodies provide grants for research and fellowship in a number of subjects including economics and related subjects.

For those who are yet to pursue their higher studies, it will be better to evaluate their aptitude for the subject before they choose to join a course in economics.

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Editorial : 24369443

Advertisement : 24369429

Tele Fax : 24369430

Circulation : 24369567

Accounts (Advt.) : 24369419