



## Myths and Truths About Economics

**Myth:** Economics is a narrow field of study focusing on unemployment, inflation, interest rates, and other topics related to money and the economy, with little application to the broader world.

**Fact:** A degree in Economics provides a broadbased, high-quality education, preparing you to achieve a variety of goals, such as finding a great job soon after graduation or getting into the postgraduate program of your choice. The major teaches critical thinking, creative problem solving, application of information technologies, effective oral and written communication, research methods, and logical decision making.

Economics studies a wide variety of topics and decisions that matter in everyday life. Economic methodology has been applied to studies of crime, addiction, marriage, sports, global warming, natural resource depletion, and voting behavior, among many other topics.

# Economics

## Bachelor of Arts

- > Major in Economics
- > Minor in Economics
- > Minor in Environmental Economics and Sustainable Development
- > Major in Economics and Mathematics

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## Myths and Truths about Economics

**MYTH:** Economics is all about mathematics and statistics.

**FACT:** Economics Majors and Minors can choose among the courses to find ones with the desired amount of emphasis on mathematics. It is possible to create a course of study, leading to a degree, that includes primarily economics courses that are intuitive, based on the real world, and not math intensive. It is also possible to get your degree in economics by taking mostly economics courses that are based heavily on mathematics and statistics.

**MYTH:** Employers aren't much concerned with a student's major, and a bachelor's degree in any one of a number of fields would open the same employment doors as would a degree in Economics.

**FACT:** A degree in Economics is highly marketable. Unlike some business graduates, Economics graduates enjoy the flexibility of being able to work in both the public and the private sectors. Data from the 2005 Canadian census indicate that Economics majors aged 25-55 in Canada, on average, earned the 6th highest hourly wage (\$39.9/hour) compared to the wages of 50 other majors.<sup>1</sup> This wage was higher than Marketing (\$30.9/hour), Management (\$37.9/hour), and similar to Accounting (\$40.8/hour) and Engineering (\$41.3/hour). Furthermore, the unemployment rate of Economics majors was a very low 3.3%, similar to majors in Engineering, Biological Sciences, Physics and Mathematics.<sup>1</sup> More recent data (2015) are available for the United States, where the National Association of Colleges and Employers identified the starting salary offers in different disciplines.<sup>2</sup> The average starting salary of Economics majors was \$54,415.

The same survey found that this is higher than the starting salary of majors in other business disciplines including Accounting, Management, and Finance. The survey also found that majors in Political Science, English, Psychology, Sociology, and History were offered an average of less than \$40,000.

### What Do Economists Do?

Economics teaches skills in research, analysis, forecasting, and planning that can serve you in almost any field. The names of upper-level courses give some idea of the career opportunities that become open to you with training in economics: Canadian Financial Markets, Public Finance, International Economics, Labour Economics, Government and Business, Economics of the Environment, Forestry Economics, Economic Analysis of Health Services, and Development Economics.

Economists work in the following fields and in the following positions, as well as in many more:

#### BANKING

- > Credit Analyst
- > Investment Analyst
- > Financial Manager
- > Speech Writer
- > Forecaster

#### JOURNALISM

- > Researcher
- > Industry Analyst
- > Economic Analyst

#### GOVERNMENT

- > Researcher
- > Public Policy Analyst
- > Speech Writer
- > Forecaster

#### FINANCIAL SERVICES

- > International Analyst
- > Newsletter Editor
- > Investment Banker
- > Broker

#### GENERAL BUSINESS

- > Business Analyst
- > Marketing Analyst
- > Business Forecaster

#### OTHER

- > Business Consultant
- > Freelance Analyst
- > Think Tank Analyst
- > Environmental Consultant

A bachelor's degree in Economics is an excellent preparation for graduate studies — whether in economics itself or in another field, such as law, business, public administration, environmental studies, health-care administration, labour relations, urban planning, diplomacy, or one of many others. A degree in economics is excellent preparation for an MBA program. Many MBA courses have significant economics content, and many MBA instructors are themselves trained as economists.

Furthermore, economics majors do very well on the Graduate Management Admissions Test (GMAT). Average GMAT scores for Economics majors are higher than those for nearly all humanities, social sciences, and business majors.<sup>3</sup>

Economics majors consistently score higher than all majors when taking the Law School Admission Test (LSAT).<sup>4</sup> Legal cases and legislation often implement economic concepts and the economic way of thinking in their analysis of problems, and having an economics major will give you an edge in law school and on the LSAT.

Your decision to obtain an economics degree will yield benefits even after you finish your education, whether it is in business school, law school, or some other field. A recent study<sup>5</sup> found that 'Among individuals who pursue a master's degree in business or a professional degree in law, those who have an undergraduate economics major generally earn more than individuals with other majors.'

## Ask Your Program Advisor About the Following Programs:

### BACHELOR OF ARTS

- Major in Economics
- Minor in Economics
- Major in Economic and Political Studies
- Minor in Environmental Economics and Sustainable Development

### BACHELOR OF BUSINESS ADMINISTRATION

- Major in Economics
- Minor in Economics
- Minor in Financial Institutions and Markets (pending final approval)

### BACHELOR OF SCIENCE

- Major in Economics and Mathematics (pending final approval)
- Minor in Environmental Economics and Sustainable Development

### CERTIFICATE IN FIRST NATIONS APPLIED ECONOMICS

<sup>1</sup><http://tinyurl.com/2015Study> • <sup>2</sup><http://tinyurl.com/Fall2015SalarySurvey> • <sup>3</sup>Nelson, P.A. and Monson, T.D. (2008). "GMAT Scores of Undergraduate Economics Majors." *Journal of Economic Education* 39(3): 269-272. • <sup>4</sup>Nieswiadomy, M. (2014). "LSAT Scores of Economics Majors: The 2012-13 Class Update." *Journal of Economic Education* 45(1): 71-74. • <sup>5</sup>Black, D.A. et al., "The Economic Reward for Studying Economics," *Economic Enquiry*, vol. 41(3): 365-377.