

UCL's MSc in Economics or Economic Policy for Birkbeck GDE students

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This is a short guide to the MSc courses that you may choose to take at UCL, based on my experience in 2011-2012. The views are my own, though as staff-student rep during my year at UCL, it was my job to find out what other students thought. Some of their opinions have been used when preparing this document.

Note also that MSc Economic Policy is a relatively new course at UCL, and so the organisation and structure may change by the time you read this.

MSc courses in economics at UCL

UCL has a reputation for excellence in economics that is well deserved. Postgraduate courses have an equally well-deserved reputation for their difficulty and mathematical rigour.

The MSc in Economics is analytical, testing, and seeks to give a thorough knowledge of all the principles of economics. It is ideal if you wish to carry on to a PhD, especially one with a focus on econometrics; also if you want to work in an analytical area of economics. About 100 students are accepted each year, from ten times as many applications. Some of them already have MSc qualifications at smaller universities. Just making it on to the course is an achievement - though not, of course, one that will mean anything unless you make it out the other side.

The MSc in Economic Policy shares some of the same courses, but is more slanted towards real-world applications. It highlights policy design and applied techniques. You can still proceed to a PhD, but it is intended more for students who want to apply their knowledge outside academia. It is smaller (about 30 students), and relatively new. This is the course I took.

MSc Economics students sometimes erroneously assume Economic Policy is a course for wannabe economists who can't do maths. As a result some students take MSc Economics, thinking they can "drop down" to Policy if the sums are too hard. Do not make this mistake. It doesn't work like this: I have a BSc in mathematics, and the Policy course demands are no easier, mathematically, than anything in straight Economics. You can run from matrix algebra, but you can't hide.

For Birkbeck GDE students, this means that unless you coped comfortably with all your maths and econometrics content, both courses would be very difficult to complete.

UCL Economics vs Birkbeck Economics: different cultures

The most important difference, socially: UCL is not a place to go to relax or develop a variety of interests, and many of the students and lecturers are focussed exclusively on academic study. There a “boot camp” atmosphere that is entirely intentional.

If you are a mature student you will also be in a minority, as almost all students are under 30. This is not a disadvantage, because experience in coping with pressure and prioritising your workload is useful.

The Birkbeck GDE works you hard, but these courses work you harder. A quick survey of my colleagues found an average study time of around 60 hours per week in the first term, slightly less in the second term, consistent across both courses, spread across seven days a week. There will be seven or eight exams after Easter and a 10,000-word dissertation to complete between June and September.

Therefore the demands of the course can be hard on personal relationships for all students; but this is particularly difficult for mature students who are married, have long-term partners or a family. The course will cause stress to this relationship. Many students I spoke to considered this the most negative aspect of the MSc. My wife agrees with them, and I agree with her.

The most important difference, academically: though Birkbeck’s GDE is an excellent course, you will have some deficits in knowledge compared to some of your colleagues - especially those who did undergraduate economics at UCL. There is no time to catch up after term starts, so it is best to fix this over the summer. I have noted below the areas where UCL’s expectations will exceed your knowledge.

UCL contrasts with Birkbeck in the formality and frequency of written work that you are expected to hand in. Most courses set one problem set a week, which are graded. The marks don’t count to anything, but they are recorded and used when giving references to employers. Problem sets are long. Most take half a day or more.

Of course, there’s no sanction if you don’t hand the problem sets in, but you are expected to know the material in them (often this goes well beyond lecture material), and so it’s easy to fall behind if you don’t do your homework.

UCL has excellent facilities: many lecture theatres automatically video lectures, for example, a useful resource at exam time. There is plenty of library space and a lot of computer clusters.

Continuing from GDE to UCL’s MSc is a commitment of time and money that needs careful consideration. The Economics department admin office is very responsive, and will put you in touch with lecturers if you have questions about the course.

Winter term

1. Maths exam

Surprise! The maths exam currently sits at the beginning of the first term. You will be given work to study over the summer, and a two-week intensive course that covers calculus, analysis, matrix algebra, quantitative methods, probability and statistics. The exam at the end of the course counts to your final grade, though you will be able to retake it during finals if you fail the first time – as about one quarter of candidates do.

This has advantages and disadvantages. It's not a fun way to start an MSc; but it drills you with some of the techniques you need, and it is one less headache after Easter if you pass. A strong showing in Birkbeck's QT, Stats and the advanced maths course means you should know most of the basics, and be at least on a par with the other students.

2. Core courses

The rest of the first term consists of three compulsory core courses: Micro, Macro, Econometrics. You will struggle, because everyone struggles. The amount of material you will cover is extraordinary, and the pace does not relent. There is no reading week.

Microeconomics

At present, the Microeconomics course is combined for both courses for the first five weeks and splits into the two disciplines afterwards. Good news: the Birkbeck GDE is excellent preparation for the content of this course, if not for the level of difficulty. The course is extremely fast-paced, but contains little completely new material. It is, however, presented at a level of rigour and difficulty that will make your head throb when you attempt your problem sets. Everyone feels this way; it's not a Birkbeck thing.

For Policy students the second half of the Micro course aims to introduce methods to deal with market failures. The Economics MSc covers similar material at a more theoretical level.

Macroeconomics for Policy

Macro for Policy course is interesting, well taught, useful, and often horribly difficult. It will be challenging if you attempt to apply your knowledge from the GDE, because it assumes knowledge of concepts that the GDE cannot cover in depth, if at all.

Useful preparation would be to study at least the first third of "Macroeconomics: Imperfections, Institutions and Policies" by Carlin and Soskice. It's the UCL undergrad text book, and very different to Williamson in its approach. Don't leave this until after term starts (he writes from experience).

[Comment by Stephen Wright: the redesign of GDE macro in 2012/13 was in part driven by the gap in knowledge highlighted here. Jones covers much of the material

in Carlin & Soskice, albeit at a more basic, empirically oriented level – so Tim’s suggestion of looking through C&S is still valid]

Econometrics for Policy

Unless you have experience of econometrics beyond what is taught in the GDE, this course can become an ordeal. It quickly moves from quite basic material to complex, demanding and rigorous applications. Problem sets also include derivations and applied work - which uses Stata, rather than eViews.

I can now admit that, having comfortably achieved a distinction at GDE level, I hardly understood a thing in the MSc from the end of October until Christmas. If this happens, then with two other courses to cover, it will be impossible to keep up if you have no prior knowledge of the topics.

For this reason I would recommend that you are at least familiar with the first five chapters of Verbeek (or the similar material in Stock and Watson) before starting the course, so that you can grasp the new concepts quickly. Reading “Econometrics” by Kennedy will help you to understand how it all fits together. The Econometrics for Policy course also tests your matrix algebra to the limit: consult Hayashi’s econometrics text book for a flavour of the depth at which it will be taught, though I wouldn’t recommend this book for pre-course study.

If you want to flourish in the first term at UCL you will have quite a workload over the summer; but second term courses are built on these core modules, so preparatory work really pays off.

The MSc Economics courses in macro and econometrics are of a similar standard. Having no direct experience, I can’t comment on the content.

Term two

1. Dissertation week

Term two begins with “Dissertation Week”. This attempts to give you the tools to create a dissertation in the summer: advice on how to research and write, or choose a topic. In the first month of term you will need to choose your topic, have a proposal accepted, and match up with a supervisor. This causes some students emotional stress: they have come half way round the world to study with one expert, and so need (in an economic sense) to catch that professor’s eye. This part of the process is a little like speed dating.

If you have no idea what to do for a dissertation, this week is helpful. Also some supervisors will suggest a topic for you, which - let’s face it - has a good chance of being more practical than whatever you had in your mind.

2. Optional courses

The rest of term two is taken up with specialised courses. On the Policy course, you take four options (MSc Econ has two compulsory courses, and two options). These courses are varied, interesting, slightly less time-demanding than the core courses (most have four of five problem sets only). They are often tough in other ways.

Many courses extend the skills you learned in term one – for example, time series, public micro, or game theory. For these you need a solid grasp of the subject, and some aptitude. They are not courses that you can learn by swallowing a text book.

Other courses use academic papers to go deep into the specific topics. Examples are labour economics and the economics of development. You will have a lot of reading – often four or five technical papers or chapters a week - per subject. You are expected to be fluent in the advanced econometric techniques that you studied before Christmas.

Fewer people take specialised subjects like behavioural economics, migration or ethics – but if this is your thing, the courses often get excellent ratings from students, and are taught by academics with an international reputation.

Before you enrol there are course summaries on the public web pages. Once you are on the course, you can find detailed course feedback from previous students (a practice that the Economics Department pursues with zeal) on UCL's internal web pages.

Term three: exams and beyond

Exams are taken earlier than at Birkbeck, and are very concentrated. Depending on whether you need to retake maths, it's seven or eight exams in a three-week period. There is no coursework that counts to your MSc outside the dissertation, and the dissertation counts for one third of the final grade. You can fail two exams and still scrape through the course; any more, and you will be retaking next year.

The dissertation is due in September. UCL's supervisors pride themselves on working dissertation students hard. You are expected to contribute original work of some type, usually with an econometric component. There is support from PhD students who are drafted in to help with econometric or Stata problems.

Conclusion

To have the lifelong advantage of UCL's global reputation, and to benefit from studying at this level, you may have to suffer – simply because of the volume and standard of work expected. UCL offers a less comfortable atmosphere than Birkbeck, and that will suit some students more than others.

Your biggest problem will be an initial knowledge deficit, simply because you haven't had as much time to study the subject as your new colleagues. Many of your

colleagues will struggle after completing first degrees at UCL, LSE, Oxford, Warwick and the best universities in the US and Europe, so we can assume that talent alone will not solve this problem. Therefore, getting up to speed in core subjects – which means going beyond the GDE - will be essential, as is a thorough knowledge of mathematics.

Your incentive is that you will have the opportunity to learn Economics or Economic Policy in greater depth than almost anywhere else, studying in one of the world's highest-rated economics departments, while being taught by some equally notable academics.

You are welcome to email me and ask any other questions you may have.

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