

ECONOMISTS FROM CHARLES UNIVERSITY: SUCCESSSES ABROAD

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In many ways, Czech social sciences are yet to catch up with the level of Western European and North American universities. Is it then possible for a Charles University graduate to compete on the global market of scholars? This interview proves that it certainly is. We talked to three economists, all of whom graduated from the doctoral programme organized by CERGE – The Center for Economic Research and Graduate Education in collaboration with the Economic Institute of the Academy of Sciences of the Czech Republic. Their experiences show that they can succeed in the global competition and they are in the same league as graduates of the world's top universities.

The first interviewee, **Galina Vereschagina**, is currently affiliated with Arizona State University's Department of Economics, one of her colleagues being the Nobel Prize laureate Edward C. Prescott. Her main focus is macroeconomics, but as she told us, the scope of her work is getting much broader. **Jakub Steiner**, who focuses mostly on



Purely mathematical problems were not enough for Galina Vereschagina, so she decided to study economics at CERGE.

game theory, is our second interviewee. He works as a researcher and teaches at the University of Edinburgh in Scotland. And the third and final one is **Pavel Čížek**, who works mainly in the field of theoretical econometrics. He managed to secure a position at Tilburg University in the Netherlands, whose economics department ranks within the top ten in continental Europe. Six years ago, he started there as a researcher and was tenured in 2008.

Why did you choose the career of an academic economist?

Galina: Initially, I studied mathematics and I found it very enjoyable. I loved solving mathematical problems, but at the same time, I found purely mathematical problems too abstract. Economics tries to answer more down-to-earth questions, while applying mathematical tools. That's why I decided to change my field, and from the very beginning, I knew that CERGE was the right choice.

Jakub: I had started out in physics, but five years later, my love for electrons was

all gone. I felt attracted to social sciences. After finishing my Master's, I worked in the People in Need non-governmental organisation as a field social worker among Roma people in Prague. This furthered my interest in, let's say, issues of society as a whole. Economics was the next logical step – it is a social science with a highly developed

mathematical apparatus, in which I could combine my interests with my knowledge from my previous studies.

Pavel: I have always been intrigued by the basic foundations and theoretical aspects of things, and academia offered an opportunity to do theory as a job. In addition to that, working at a university gives you great freedom regarding what you want to focus on, research and write about.

How difficult was it to make it through the selection procedures and get to your current position?

Galina: It was very exhausting and fascinating at the same time. During a few months, I met many people who talked about my research with delight and interest. I also remember that towards the end of this period, I was exhausted. I had to travel a lot, maintain concentration and keep being excited about my research. Your first visits

to universities, waiting for interviews, and especially for the first job offer, are extremely stressful. But as soon as I got the first offer, I started to savour every minute I could share with fellow scholars.

Jakub: While a student at CERGE, I was staying at the London School of Economics. People from Edinburgh sent me a last minute offer to give a lecture there. They liked the presentation and had an opening at the time, so they told me to apply for the job. After giving another lecture, I was accepted. About a hundred people usually apply for a job like this. An average economics Ph.D. graduate sends out about a hundred applications and stresses out the whole year. I was quite lucky to have avoided this. I am very grateful for my position in Edinburgh. There are not too many good places for economics in Europe, and even for graduates from top schools like the University of Chicago, it might be hard to find a job. Edinburgh, however, is not afraid to take risks and accept more unconventional candidates like me.

Pavel: After finishing my degree, I was looking for a position at a good economics department with a bigger group of economists or econometricists focusing on applying advanced quantitative methods, preferably coupled with conducting theoretical research. I also preferred Europe to overseas. For all these reasons, Tilburg University was a perfect fit. The selection



Besides game theory, Jakub Steiner is also interested in the co-existence of Romas and non-Romas.

procedure was the same as at many American economics departments, and therefore not unlike the one at CERGE. Given that the procedure was standardised, it is hard to judge its difficulty from the outside. Only those who evaluated the applicants knew how strong the competition was.



Pavel Čížek prefers theory to practice. Academia gives him enough space for his research interests.

I did, be it knowledge of economics (I started out as a mathematician), being able to study in English and meet students from abroad, or getting acquainted with the international academic job market in economics and all its specifics. All of these are foundations I could build on. I gained most of them at CERGE.

schools can have notable international speakers coming.

What is your research focus? Are you building on your dissertation in any way?

Galina: Right now, I am working on two distinct topics: I am interested in what influences a company's decision to go public, and why there has been a significant shift in features of public and private companies and what macroeconomic implications this can have. This topic is very closely tied to my dissertation. I am also working in economics of teams. I would like to understand how various economic imperfections (such as moral hazard) can affect the structure of teams and their members.

Jakub: I am interested in game theory. Since my dissertation, I have been interested in why and how a society can swing from one regime to another one, as we experienced in Czechoslovakia in 1989. Or how and why Romas and non-Romas live in such different systems, although next to each other.

Pavel: I have always been more interested in theory than applied research. Generally speaking, I design and assess econometric and statistical methods for parameter estimation, mostly using all kinds of regression models. At least for now, however, I do not want to focus on a specific area of econometrics. Most of my previous work focused on so-called robust estimation and built directly on my dissertation.

How did your CERGE Ph.D. title help you in your career? How do you look back at your years there?

Galina: From a personal perspective, CERGE opened the doors to economics for me. I learned a lot in the introductory courses and I gained greater insight as a teaching assistant during my second and third year. Later on, I stayed at the University of Rochester, where my interest in research started. Since then, I have been continuously consulting my dissertation advisor Radim Boháček and the co-author, Hugo Hopenhayn from the University of Rochester. CERGE also helped me to attend conferences, where I gained useful experience even before entering the academic job market. In a way, CERGE supported me more than many American universities usually do.

Jakub: CERGE provided me with education in economics comparable to the best in Europe. Just like Edinburgh, CERGE is also not afraid of risky candidates. When submitting my application, the only thing I knew about economics was that it was a "social science with mathematics". CERGE is very open to such applicants. I had a unique opportunity to get a Ph.D. degree while not having to leave friends and family. In global competition, CERGE is, however, still a relatively new institution, and graduates from Chicago are better off looking for jobs on the global market.

Pavel: My memories of student years are actually exclusively pleasant, as we often tend to forget about any hardships after some time has passed. But there is no doubt that without CERGE and Charles University I would not have achieved what

If you were to compare doctoral programmes at your current institution with those at CERGE, what would the main differences be?

Galina: When I was at CERGE, only a few students were thinking about academic careers, whereas at Arizona State University, almost every student hopes to stay in academia even after finishing his or her degree. This makes people at ASU more active in looking for research questions and more ready to discuss their ideas with teachers and researchers.

Jakub: The structure is quite different. CERGE only has a doctoral degree and that's why it is very much invested in it. In Edinburgh, teaching doctoral students is just a bonus feature and the main focus is on Bachelor's and Master's programmes. There is therefore a wider selection of courses at CERGE. On the other hand, there are more senior researchers in Edinburgh, who can serve as experienced thesis supervisors.

Pavel: In the past few years, the structure of the doctoral degree at Tilburg University has become more like the one at CERGE. It is a five-year programme in English for both local and foreign students who have at least a Bachelor's degree. The first two years are dedicated to teaching and concluded with a thesis, while during the next three years, students are working on their dissertations. What is a great benefit for the progress of doctoral students is the useful collaboration between departments of economics all over the Netherlands. Thanks to this network and the resulting larger pool of students and institutions, the selection of courses is more diverse and specialized and the



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