

INOMICS®



Economics Job Market Report 2013
Latin America

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What is INOMICS? A foreword

Since 1998 **INOMICS** has been providing recruiters and academic institutions in the economics job market with an effective platform to find candidates for their open professional and student positions. In turn, INOMICS has been offering students and professionals the most exhaustive online resource for their future academic career choices.

In the 15 years that we have been online, we have succeeded in accumulating a unique audience of niche professionals in economics and finance, as well as a unique network of academic, research and private sector institutions interested in recruiting professionals and students in this field. Through feedback from our users and clients, we know how important it is to have enough information about the job market to take the right career decisions and build recruiting strategies. To gather even deeper insights into the market and to make this information available for INOMICS users, last year we launched our first annual Economics Job Market Survey.

As a truly international resource, with visitors using our platform from over a hundred countries, we recognize that there are significant differences between job markets in specific regional contexts. For this reason, this year we have split our general study into eight regional reports, in addition to the **[Worldwide Economics Job Market Report 2013](#)**.

We hope that the information presented in this study and in the regional reports will support economists in making informed career and professional decisions, regardless of their country of residence, educational level or work experience and will provide recruiters with necessary insights into the current state of the job market. If you have any suggestions or comments about this study, please feel free to get in touch with the INOMICS team and we will be happy to assist you with any queries.

Kind regards,
Andreas Hoffmann,
CEO, INOMICS GmbH

I. Methodology

The Economics Job Market Survey 2013 was conducted through an online questionnaire between April and June 2013, which was placed on the INOMICS website, a global online platform for professionals in economics and finance with more than 100,000 visits a month from 120 countries worldwide. In addition, the questionnaire was circulated through social media channels and was emailed to academic professionals in selected academic institutions. The data collected was used to compile the Economics Job Market Report 2013 - Latin America (EJMR 2013 - Latin America) as well as 7 other Regional Reports, and the [Worldwide Economics Job Market Report 2013](#).

In total, 176 economists from Latin America took part in this survey. Two different sets of questions were designed to gain a perspective

of the economics job market from the point of view of both job market candidates and recruiters. Respondents who indicated that they were involved in the recruiting process of their organization were offered one set of questions enquiring about their latest open positions, their preferences as employers and about the application and selection processes. Economists who indicated that they were not involved in the recruiting process of their organizations were asked a different set of questions concerning their professional status, salaries, specialization and preferences regarding the work place environment. As a result, this Report is split into two parts:

- (I) [Economists: Economics Job Market Outlook](#)
- (II) [Recruiters: Economics Job Market Outlook](#)

To download other Regional Reports please visit [this](#) page.

II. Key Findings

Fields of Specialization:

Supply, Demand & Mobility

Supply: Economists in Latin America tend to choose broader fields during their studies. The most commonly mentioned fields of specialization (by JEL code) include Macroeconomics & Monetary Economics, General Economics & Teaching, Economic Development.

Demand: Recruiters often look for candidates with a broad background: 33% of current open positions for economists were related to General Economics & Teaching, second popular field was Microeconomics.

Mobility: More than 40% of Latin American economists change their field of specialization when they enter employment after their studies.

International Mobility of Economists

The economics job market in Latin America is very “local” and not as open to foreign students and workers as the market in other regions. Only 10% of Economists come from different countries, even including those coming from other countries in Latin America. For information about other regions see [INOMICS Regional Reports](#).

Preferences of Economists in the Job Market

Economists in Latin America consider a friendly working environment to be of the greatest importance when choosing a job, followed by reputation of the institution and flexible working hours. Salary is rated fourth. Geographical location is generally considered low in importance when applying for a position.

Top Employers among Economics Students

Most of the economics students who participated in the survey named research institutes/think tanks, international organizations/NGOs and universities as their preferred type of future employer. 15% of the respondents want to continue their education further.

Value of Academic Degrees

The biggest proportion of high earners among economists in Latin America (with an annual income higher than 55,000 US\$ a year) is among PhD holders. In general, there is a strong correlation between the level of academic degree and salary growth.

Salaries

Average Salaries & Regional Comparison:

Generally, incomes of economists increase gradually as they develop in their professional careers both in academic and non-academic fields. The split of average salaries by position aggregated for Latin America can be seen in [Figure 13](#) while [Figure 15](#) shows the breakdown by position and country.

Salaries for Currently Open Positions:

Salaries for open positions are spread across all salary ranges, but mostly concentrating between 15,000 and 55,000 US\$ per year. The highest salaries were offered for Professors and Analyst/Economist positions in non-academic sectors.

Salary Growth: Salary growth is mostly proportional to economists' experience, as well as to which academic degrees they hold. The first significant salary increase is likely to take place after 5 years of experience (around a 40% hike on average). The second big salary increase happens after around 10 years of experience (another 41% hike on average).

Demand for Economists in the Job Market

Level of Open Positions: The majority of recent open economics jobs in Latin America in an academic field are middle and high-level (Lecturers and Full Professors). 17% of all open positions are for Analyst/Economist positions.

Education Requirements. Educational requirements for economists are high: 33% of open positions require a completed PhD, although for the other 61% percent of open positions a Bachelor's or Master's degree is sufficient. 6% of open positions require an MBA degree.

Work Experience Requirements. Almost 40% of all open positions require at least 1-3 years of professional experience and only 22% accept applications from economists with less than 1 year of experience. This suggests that the demand for experienced economists is high in Latin America compared to other parts of the world. For more details see [INOMICS Regional Reports](#).

Preferences of Employers when Choosing a Candidate

Selection Criteria: The most important criterion when choosing candidates for open positions is research experience, which also proves that experience in general is of great value in the economics job market in Latin America. Interestingly, communication skills were rated more highly than quantitative skills.

Geographical Factors: As mentioned before, Latin America is a rather closed market comparing to other countries and in accordance with this, 33% of all open positions strictly require a national candidate.

Selection Process during Job Applications

Number of Applicants: Competition in academic fields is rather low with only 7 people on average applying for each position. The amount of applications for non-academic positions like Analyst/Economist positions varies greatly from 4 to 400.

Interview Techniques: The majority of employers in Latin America use traditional techniques such as face-to face interviews and online applications. Many institutions include behavioral interviews as well as technical interviews in their selection process.

III. Economists: Economics Job Market Outlook

1. Economists: Profiles of Respondents

a. Demographics

145 respondents from different countries in Latin America participated in this part of the questionnaire. In Figures 1 to 3 you can see a

brief socio-demographic profile of the respondents.

Figure 1. Age Groups of the Respondents

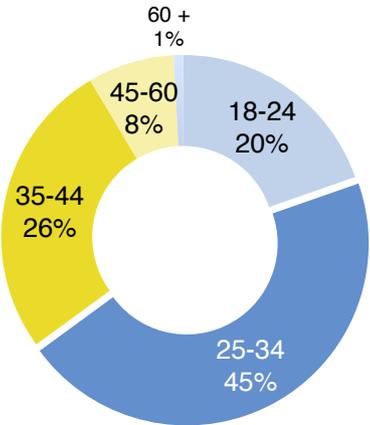


Figure 2. Gender of the Respondents

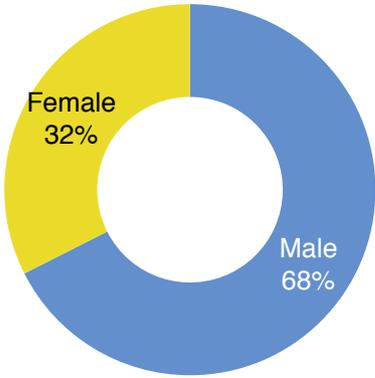


Figure 3. Countries of Residence of Respondents

Argentina	39%
Mexico	24%
Brazil	12%
Colombia	10%
Peru	4%
Chile	3%
Bolivia	3%
Uruguay	3%
Dominican Republic	1%
Guatemala	1%
Venezuela	1%

b. Professional Profile

Completed Academic Degrees & Work Experience

Respondents were asked about their highest completed academic degrees. The majority of respondents hold either a Bachelor’s or a Master’s degree (37% and 30% respectively), and 20% of the respondents hold a PhD title. This level is rather low compared to the tendencies observed in the Worldwide Report. This can probably be explained by the fact that it is more common to pursue a PhD at later

stages of your professional development (74% of PhD holders in Latin America are over 35 years old), but participants of this survey are mostly young economists (65% are under 34 years old).

The survey represents economists at every stage of seniority level. Figure 5 shows the distribution of working experience among the respondents.

Figure 4. Completed Academic Degrees of Respondents

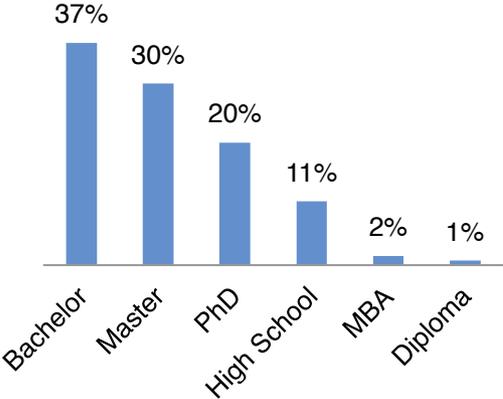
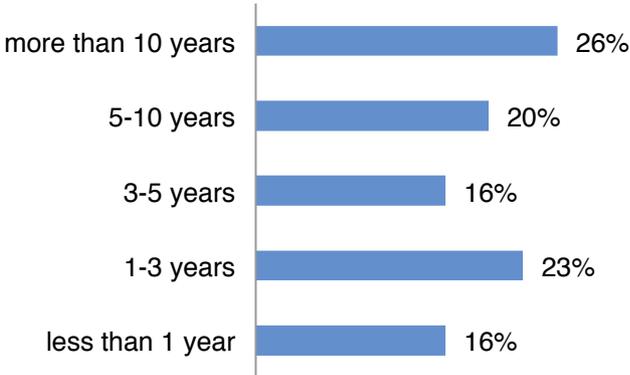


Figure 5. Work Experience of Respondents



Types of Employers & Positions

Employed Respondents were asked about what type of organizations they belong to, with the answers indicated below in Figure 7. About one third (32%) of the respondents working in Latin America belong to the academic job market, in that they are employed at a University. Another third hold positions in research institutes/think tanks and the

government. Private companies and consultancies together account for 26% while only 8% of the respondents are employed at banks and international organizations/NGOs.

As mentioned before, respondents represent all seniority levels ranging from Student to Professor (see Figure 6).

Figure 6. Positions of Respondents

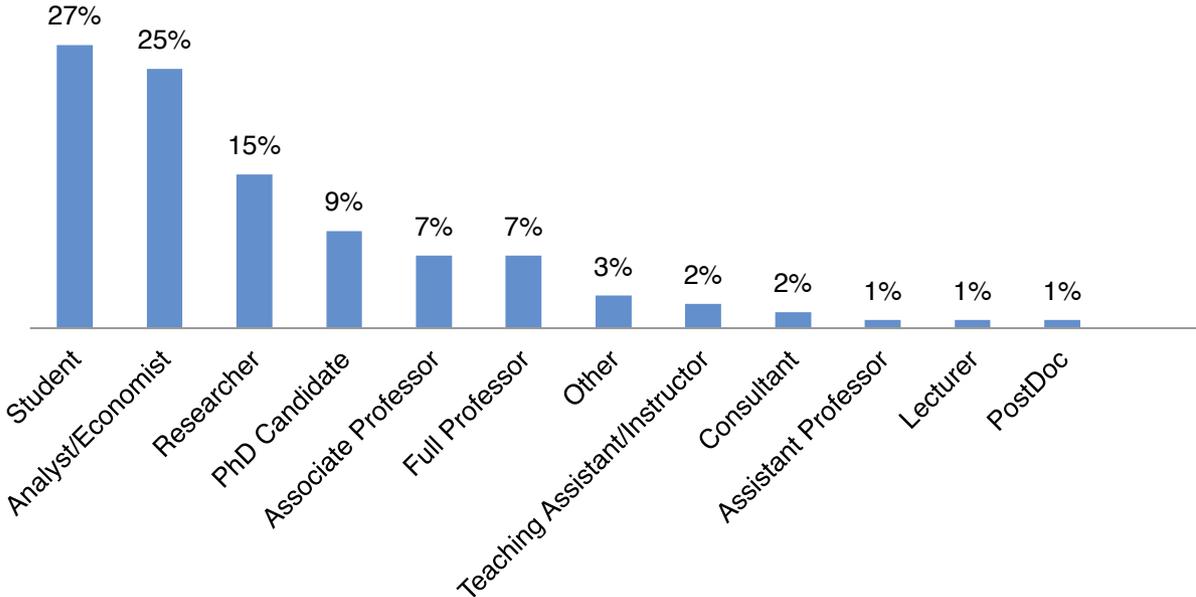
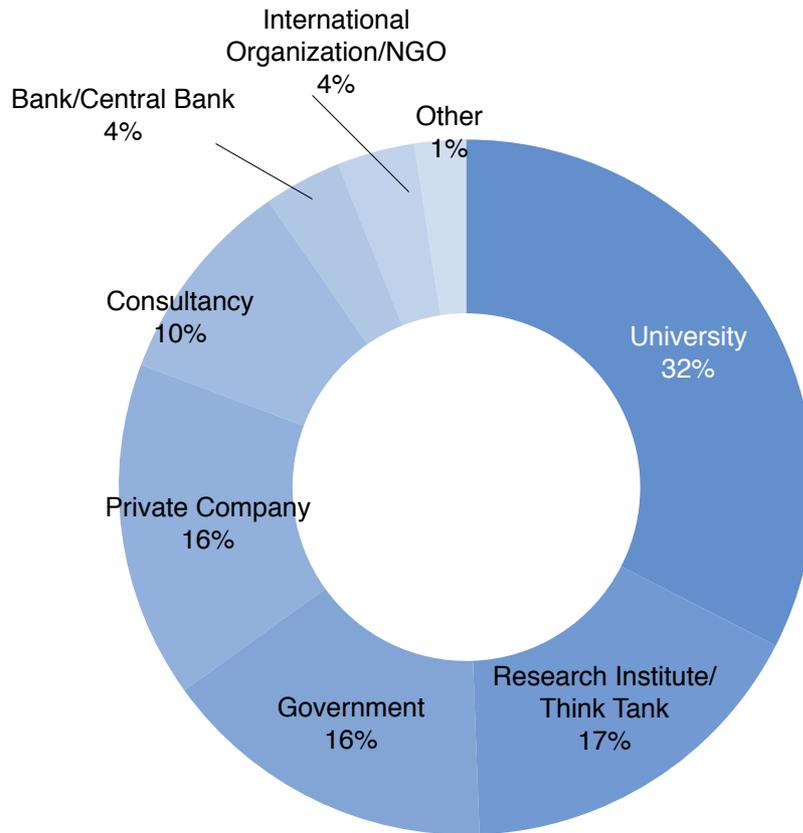


Figure 7. Employers of Respondents



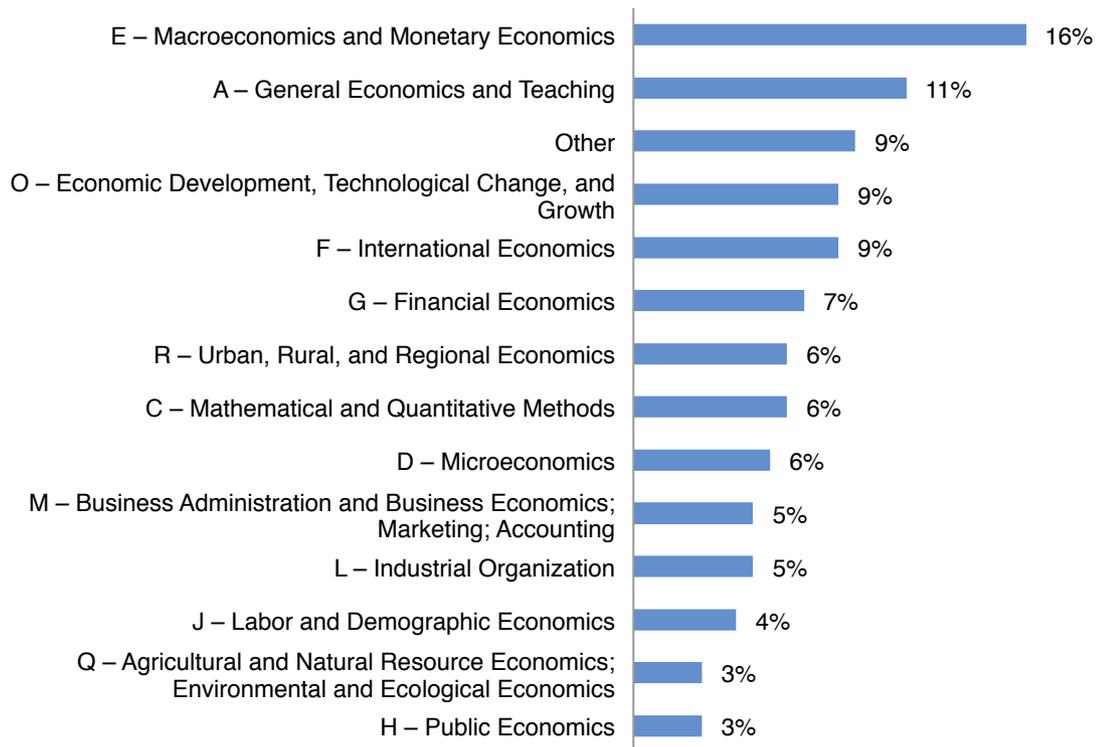
c. Fields of Specialization

Fields of Specialization Studied

Figure 8 displays field of specialization of the respondents during their studies. Macroeconomics & Monetary Economics proved to be the most popular among economists in Latin America (studied by 16%),

followed by General Economics & Teaching (11%). Agricultural Economics, Public Economics and Labor Economics are the fields studied by the lowest number of respondents.

Figure 8. Fields of Specialization Studied by Respondents (JEL Codes)



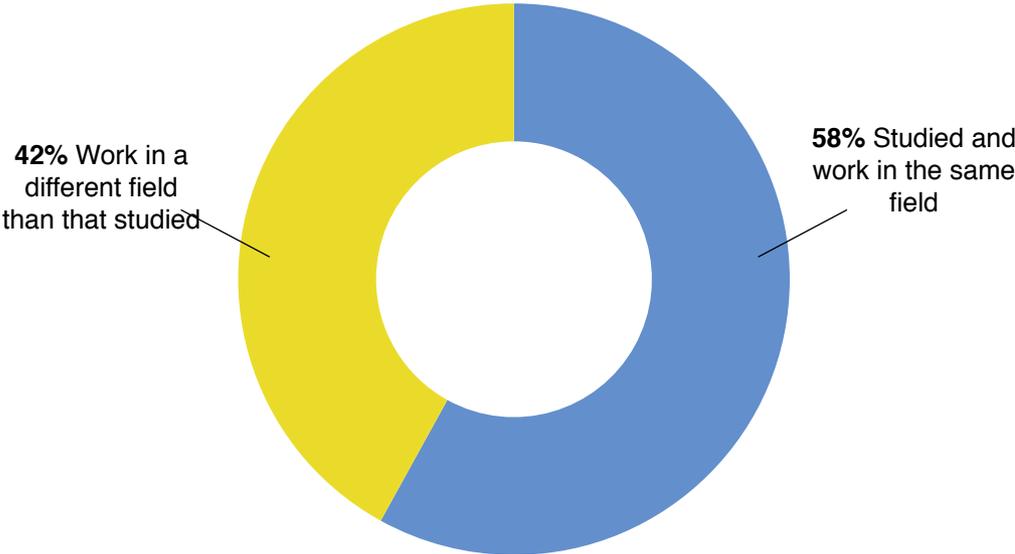
2. Economists: Perspectives of the Economics Job Market

a. Level of Mobility of Respondents: Professionally and Geographically

Many economists in Latin America work in a different economics field than the one they focused on in their studies (42% of respondents). Since almost half of the respondents are engaged in a non-academic sector, economists working for private

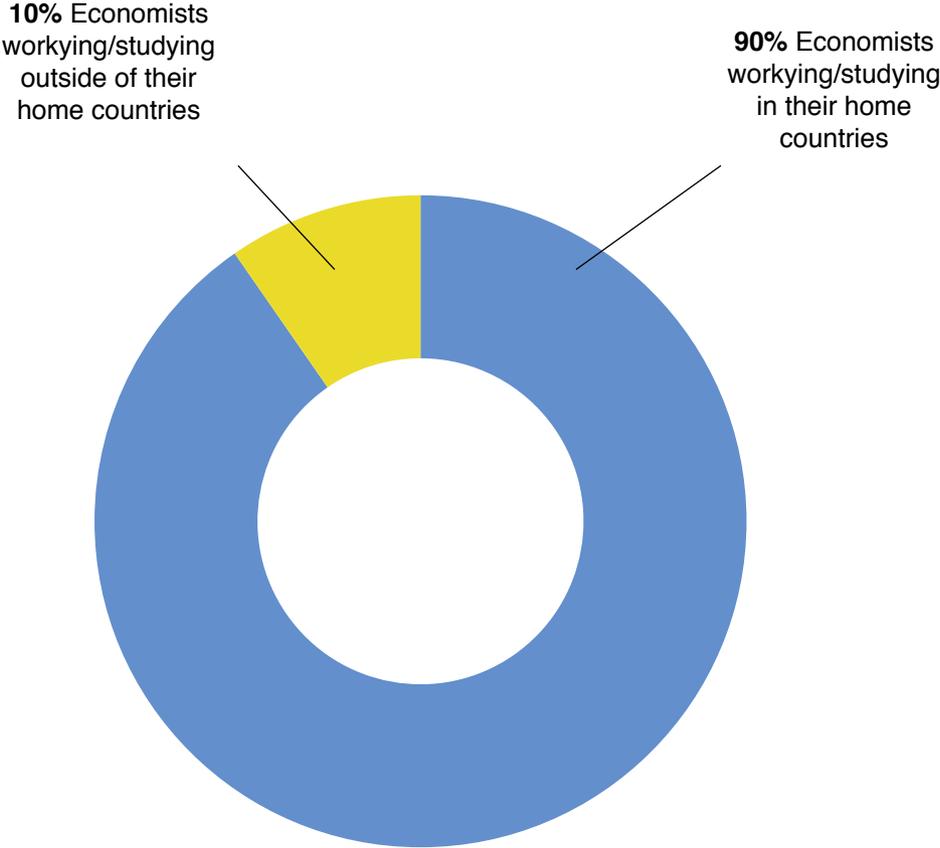
companies, consultancies and the Government seem not to be required to specialize in one particular field and instead can switch between fields more easily during their professional career, when compared to economists employed in academia.

Figure 9. Mobility Within Fields of Specialization



The proportion of foreign economists in Latin America is small compared to **other regions of the world**, in total accounting for only 10% of the overall workforce.

Figure 10. International Economists vs. Domestic Economists



b. Preferences of Economists in the Job Market

Important Factors for Economists When Choosing a Job

Following the **worldwide trend**, a friendly working environment is considered to be the most important factor for economists when choosing a job. Reputation of the institution is

rated second with a rating of 3.22 out of 4. All the factors listed by their importance can be found in Figure 11.

Figure 11. Important Factors for Economists When Choosing a Job
(Average score 1 to 4, where 4 is extremely important and 1 is not important at all)

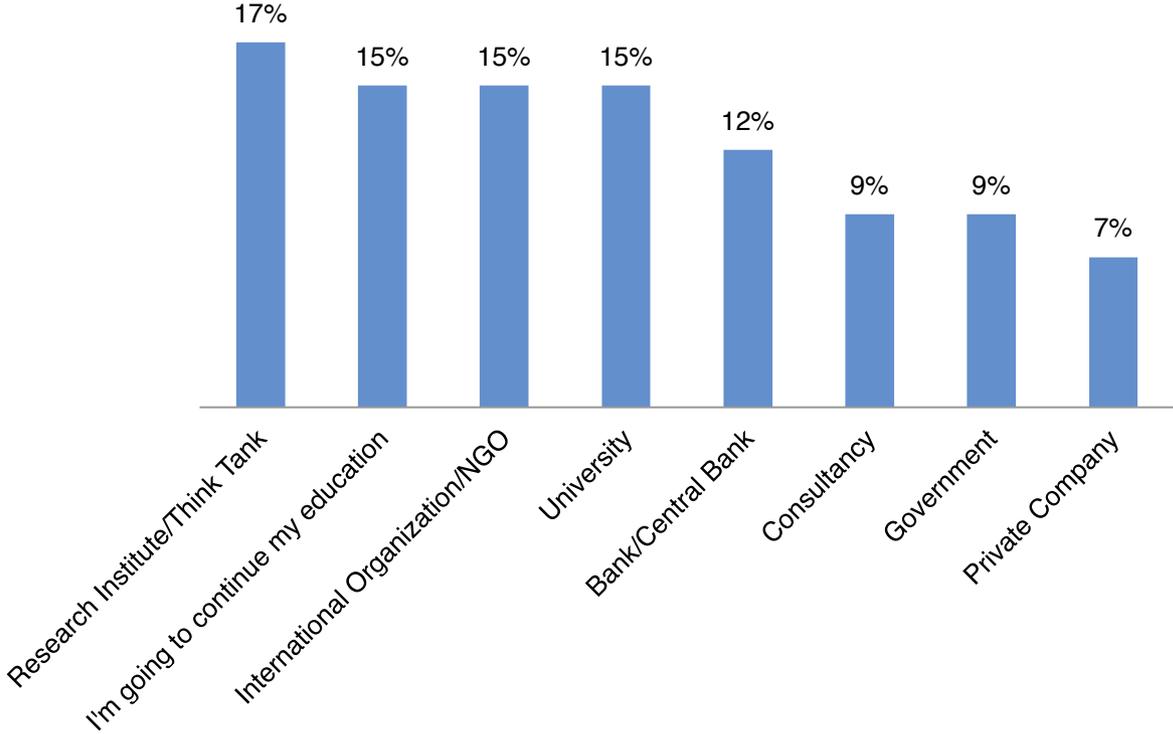
Friendly working environment	3.25
Reputation of the institution	3.22
Flexible working hours/work-life balance	3.11
Salary	3.03
Long-term contract	3.00
Time to conduct your own research	2.94
Social impact of the project	2.83
Fast career growth	2.79
Teaching opportunities	2.78
Political, economics & social condition of the country	2.73
Extra benefits	2.62
Proximity to your family/home town	2.44
Should be in a different country	2.27

Preferred Employers of Economics Graduates

Respondents who were still at university studying were asked where they wanted to work after graduation. A major segment of respondents (15%) indicated they want to continue education. Research institutes,

international organizations and universities were among the most desired destinations for those who want to enter the labor market after completing their current degree.

Figure 12. Top Types of Employers for Economics Graduates



c. Salaries of Economists: Average Salaries and Income Distribution

General Overview of Salaries: Average Income of Economists

Respondents to the INOMICS survey were asked to share information about their annual income within given salary ranges. 69% of Latin American economists fall into the lower brackets earning less than 35,000 US\$ per year and only 8% of respondents earn more than 75,000 US\$ per year, suggesting a

medium level of salaries in Latin America compared to those from other regions. Naturally, the salary depends greatly on the position held, the type of degree and experience obtained. A more detailed breakdown of salaries can be seen in Figures 13-15.

Experience: Income Distribution

Some positions in Latin America offer high salaries even with little experience, but the trend is obvious: only after at least 5 years of experience is an economist in Latin American

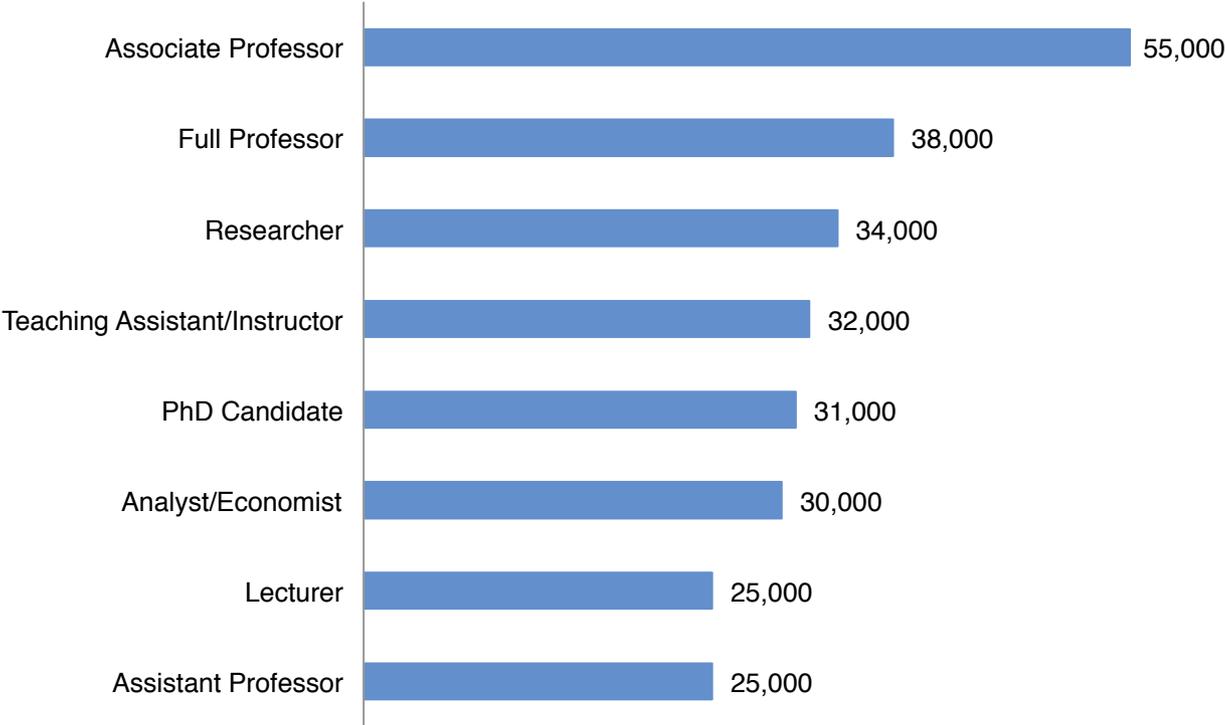
likely to move out of the lowest salary range (i.e. only then will they begin to earn more than 15,000 US\$ per year).

Positions: Average Income

Generally, incomes of economists increase gradually as they progress in their professional careers, both in academic and non-academic fields. The fact that Associate Professors reported higher earnings than Full Professors

can be explained by differences in wage levels across the region. A more detailed description of average salaries by position can be found in Figure 13.

Figure 13. Average Income of Economists by Position (annually, US\$)

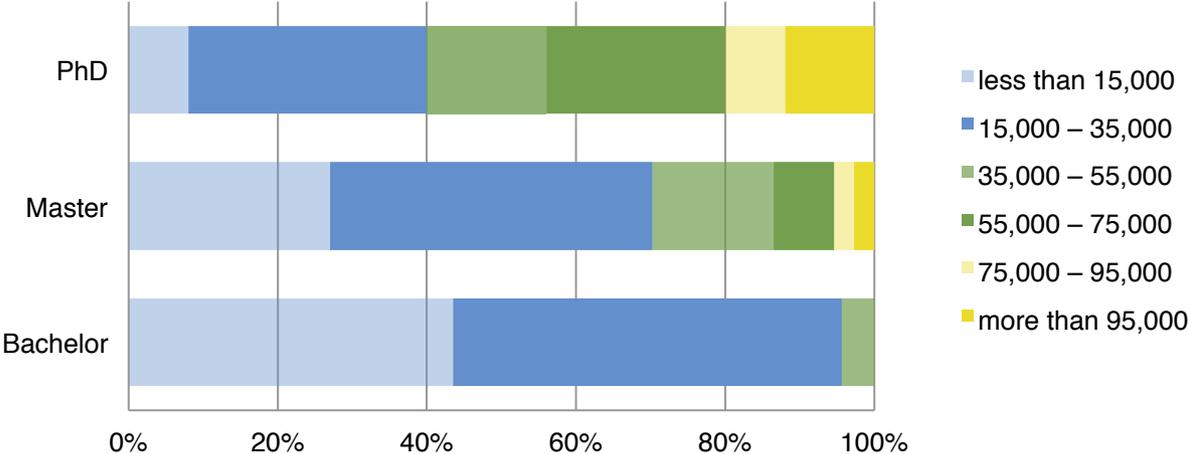


Academic Degree: Income Distribution

There is a clear **trend worldwide** that salaries correlate strongly according to the level of academic degree obtained. Latin America is no exception. As shown in Figure 14, the higher the academic degree, the larger the percentage of economists within the higher

salary ranges. The percentage of economists in the lowest bracket drops from 42% for Bachelor’s Degree holders to 8% for PhDs. This gives a clear sign that academic degrees are of great value in the economics job market in Latin America, as internationally.

Figure 14. Income Distribution of Economists by Education (annually, US\$)



Regional Comparison: Average Income of Economists by Position

Average salaries for certain positions can be seen in Figure 15. Clear differences between countries in the same region can be observed. For example, economists in Brazil earn on

average more than in any other country in Latin America, while Argentina offers the lowest salaries out of the 4 countries mentioned.

Figure 15. Average Income of Economists by Position and Country (annually, US\$)

	Argentina	Brazil	Colombia	Mexico
PhD Candidate	14,000	46,000	N/A	32,000
Teaching Assistant/Instructor	25,000	45,000	25,000	N/A
Lecturer	N/A	N/A	25,000	25,000
Associate Professor	35,000	58,000	N/A	N/A
Full Professor	25,000	65,000	N/A	25,000
Researcher	17,000	25,000	38,000	46,000
Consultant	17,000	N/A	N/A	N/A
Analyst/Economist	21,000	55,000	25,000	37,000

IV. Recruiters: Economics Job Market Outlook

1. Recruiters: Profiles of Respondents

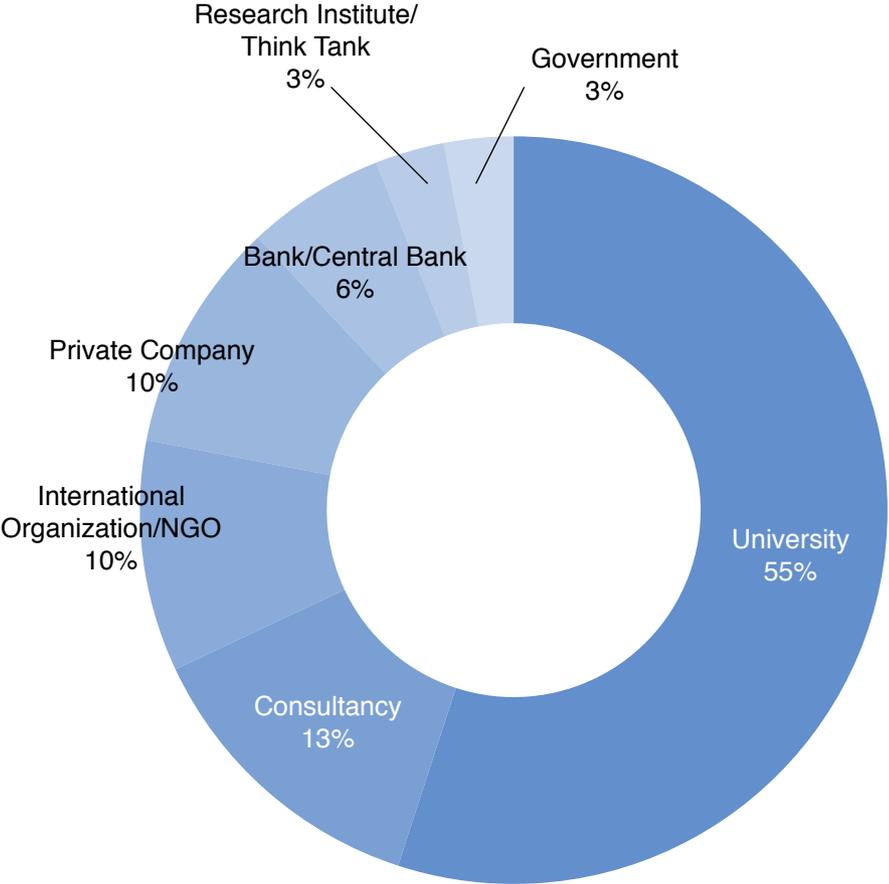
31 respondents from 7 countries in Latin America participated in this part of the questionnaire, mainly from Mexico, Colombia and Argentina (35%, 23% and 16% respectively).

55 percent of the respondents represent universities; the distribution of other institutions among our survey participants can be seen in Figure 17.

Figure 16. Countries Represented by Recruiters

Mexico	35%
Colombia	23%
Argentina	16%
Chile	13%
Brazil	6%
Peru	3%
Venezuela	3%

Figure 17. Institutions Represented by Recruiters



2. Recruiters: Perspectives of the Economic Job Market

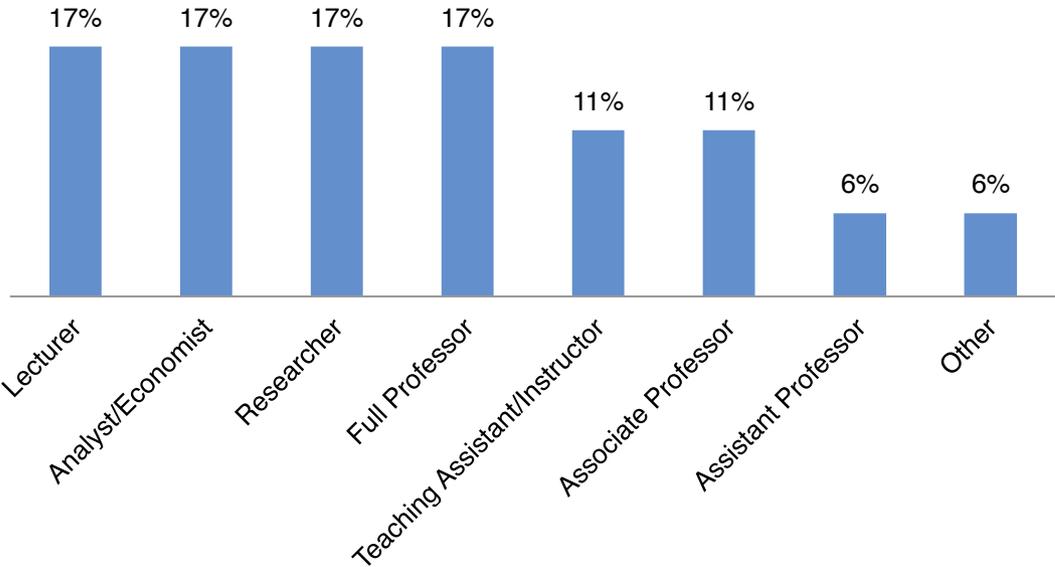
a. Latest Trends in the Economics Job Market: Demand and Salaries

Latest Open Positions for Economists and Fields of Specialization

Recruiters were asked to describe the latest open position in their organization. As can be seen in Figure 18, the distribution is quite even between academic and non-academic jobs. In contrast to the **global trend**, Assistant Professor positions account only for 6% of all

open roles, while Full Professor, Lecturer and Associate Professor positions together add up to 45%. Analyst/Economist positions and Researchers account for 17% of open positions each.

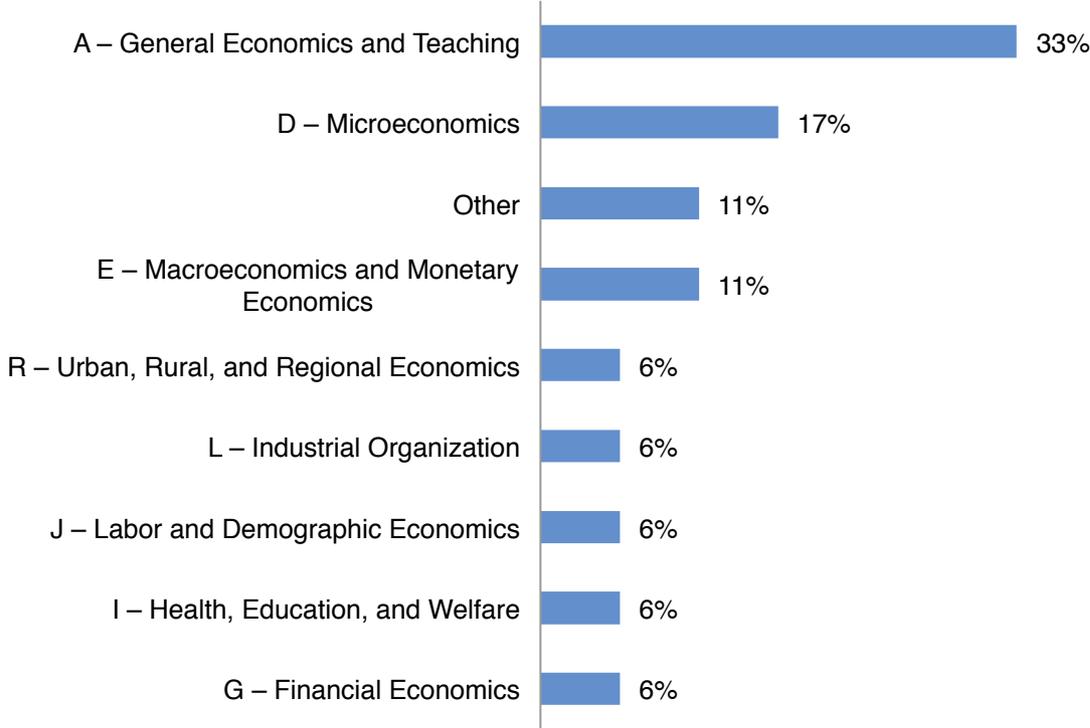
Figure 18. Latest Open Positions for Economists



33% of recruiters reported that the latest open position were in the field of “General Economics and Teaching”, suggesting a broad requirement rather than a need for specialists.

Open positions in Microeconomics and Macroeconomics account for 17% and 11% respectively.

Figure 19. Latest Open Positions for Economists: Fields of Specialization



Minimum Education & Work Experience Requirement

The type of position largely predetermines the minimum education and work experience requirements. Since many positions are for mid-career specialists, at least some experience is expected, hence 39% of open positions require 1-3 years of working

experience and 17% require at least 5 years of professional experience.

Not surprisingly, high-level university positions such as Full/Associate Professor positions require a PhD title.

Figure 20. Minimum Education Requirements for the Latest Open Positions for Economists

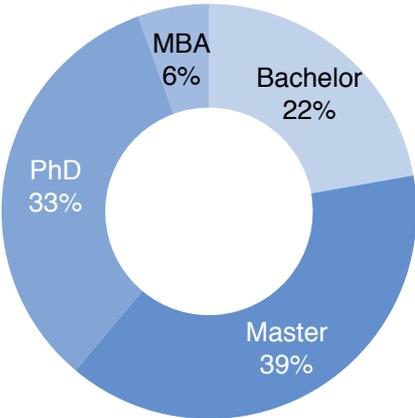
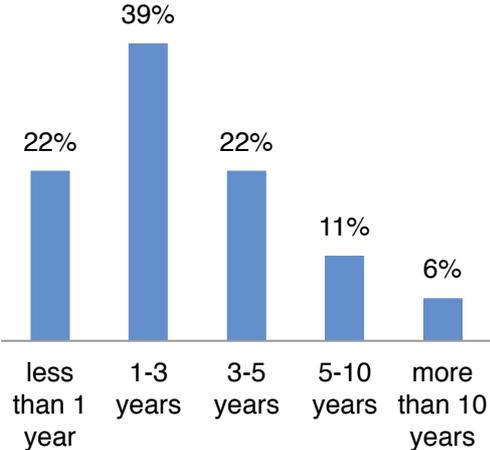


Figure 21. Minimum Work Experience Requirements for Open Positions for Economists



Range of Salaries and Average Salaries by Position

Only 6% of Salaries offered for the latest open positions in Latin America were exceeding 75,000 US\$ per year. Surprisingly, Associate/Assistant Professor positions are offering higher salaries than Full Professor,

which suggests that the wage-range varies greatly among different universities or between countries (see [Figure 15](#)).

Figure 22. Salaries for the Latest Open Positions for Economists (annually, gorss, US\$)

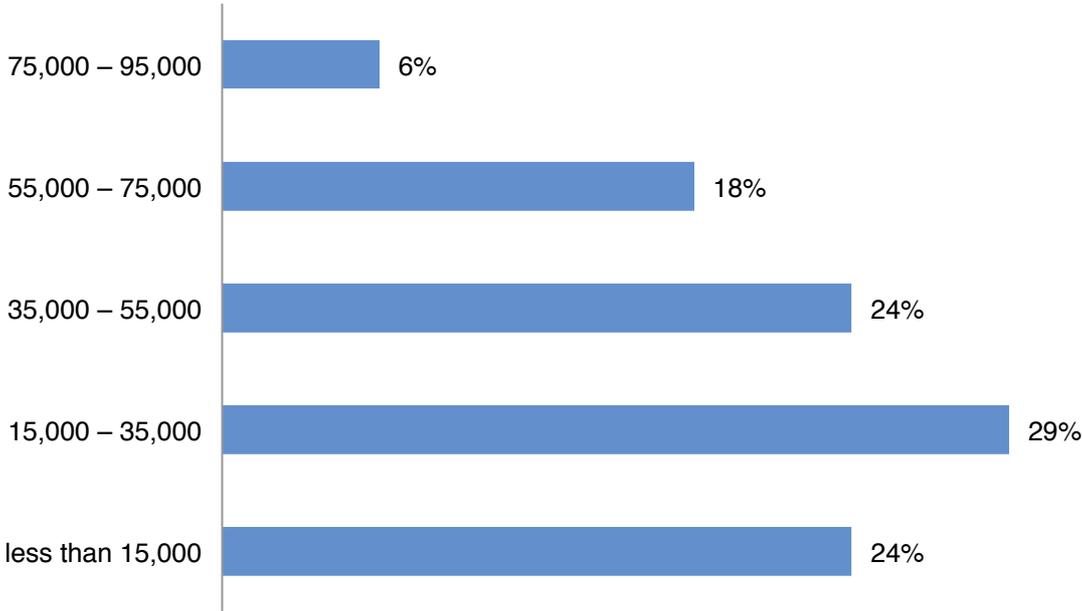
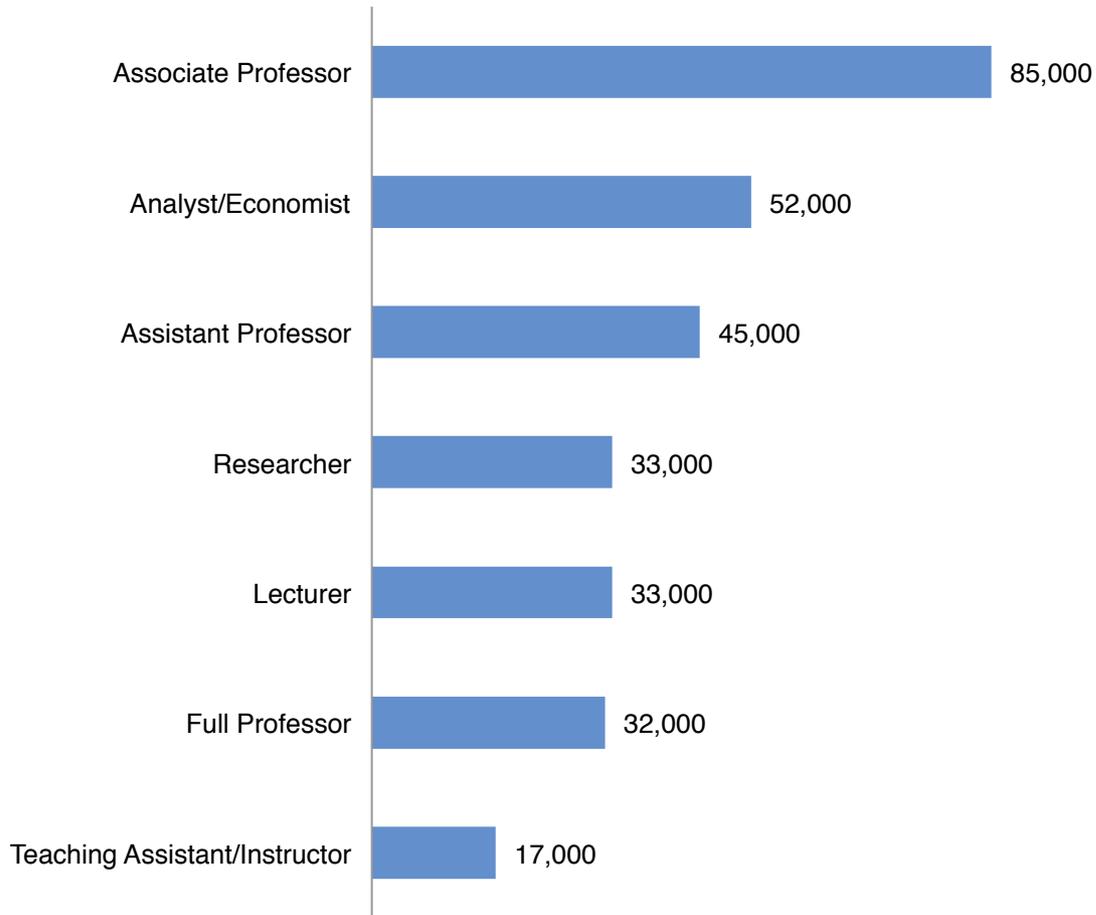


Figure 23. Salaries for the Latest Open Positions for Economists by Position (annually, gross, US\$)



b. Preferences of Employers when Choosing a Candidate

The Most Important Factors when Choosing a Candidate & Geographic Preferences of Recruiting Institutions (Regional vs. International Applicants)

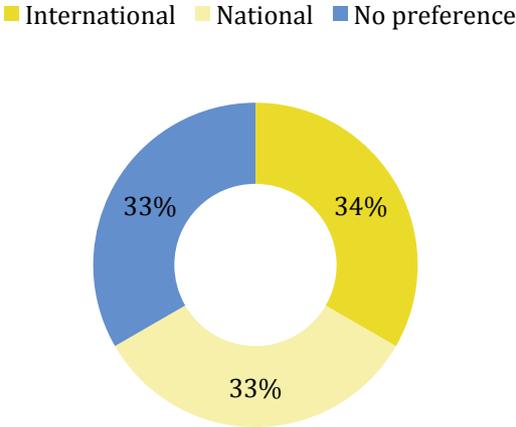
Recruiters were asked to rate the most important factors for their decision when choosing a candidate. Research experience was rated first, followed by communication skills. This suggests that people in Latin America are also focused on personal characteristics. Prestige attributes such as experience in a reputable institution and a

degree from a top university are of less value (which follows the worldwide trend). The split of geographic preferences is even: one third of all positions require a person from the same country as the employing institution, one more third prefer international candidates, while the rest don't have any specific preference.

Figure 24. Important Factors when Choosing a Candidate
(Average score 1 to 4, where 4 is extremely important and 1 is not important at all)

Research experience	3.54
Communication skills	3.31
Quantitative skills	3.31
Good recommendations	3.23
Relevant degree	3.08
Experience at a reputable institution	3.08
Degree from a top university	3.00
Awards and Distinctions	2.54
Experience in the private sector	2.23

Figure 25. Geographic Preferences of Recruiting Institutions
(National vs International Applicants)



a. Selection Process

Number of Applications per Position

Compared to the **worldwide trend** the competition for each open position in an academic field in Latin America is not fierce: on average, 7 people apply for the same spot. The amount of applications for non-academic

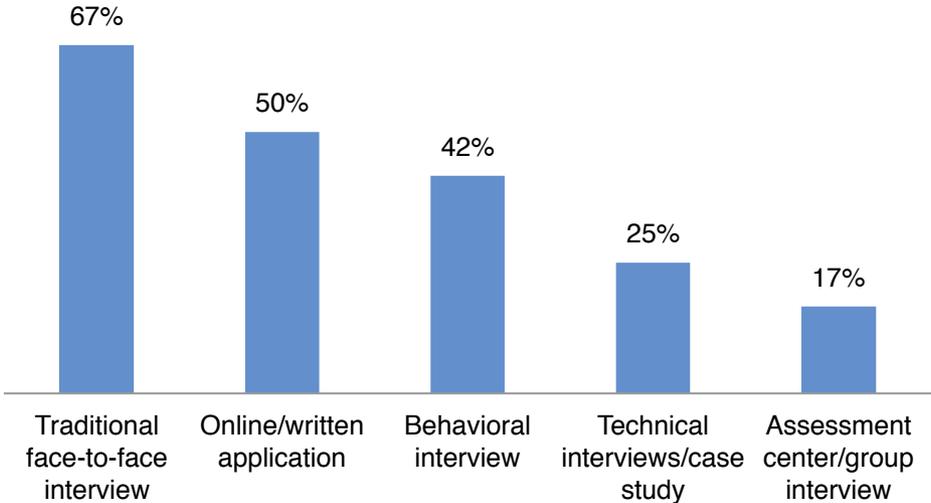
employment, like Analyst/Economist positions, varies greatly from 4 to 400 (the latter is for a position in an International organization based in Brazil).

Interviews

Figure 26 shows the techniques that are used most often in application and selection processes. Traditional face-to-face interviews are needed in the majority of cases, proving that personal qualities are important in Latin

America, although online applications (mostly in combination with other techniques) are used at least as one element of the application process for 50% of open jobs.

Figure 26. Application Process in Economics institutions



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