

# Peer-review committee and evaluation report

Lund University School of Economics and Management

<b>Department:</b> Economics	<b>PhD programme:</b> Economics	<b>Date:</b> December 9, 2022
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## Members of the peer-review panel:

Chair: Katarina Nordblom

Other members: Lars Hultkrantz, Kristina Lilja, Malin Backman

## 1. Area, Environment and Resources

### 1.1. Subject of the programme

The subject of the programme is defined as a social subject “that analyses and studies the behavior and economic links at the microeconomic and macroeconomic level with the help of theoretical and empirical tools”. In accordance with this broad definition, the PhD programme in economics at LU gives a relevant education and the doctoral theses cover many different topics within economics. The supervisors at the Department of Economics have a broad composition of competences within several subfields of the subject, and the programme includes a comprehensive bundle of courses.

## 1. Area, Environment and Resources

### 1.2. Staff: quantity, competence and management

We consider there to be a sufficient number of active supervisors and most students are able to find suitable supervisors. The supervisors are active researchers well suited to guide the PhD students. Supervision tasks are relatively evenly allocated among the group of supervisors, especially considering that they on average supervise approximately one to two PhD students each.

Matching between students and supervisors works well for the most part. The matching process is, however, not formalised, but students are responsible for contacting potential supervisors at their own discretion. The programme director supports the students in this if necessary. Not all students, especially those with a master from other universities, know all potential supervisors and their special fields. Some may find it both awkward and stressful to find suitable supervisors. In contrast, master students in economics at LU, before starting their master theses, get the opportunity to meet all potential supervisors who talk briefly about their research fields. It seems that such ‘speed dating’ could be useful also for PhD students. It would inform them about the research strengths at the department and make it less dramatic to knock on a professor’s door afterwards.

We further notice that there are some external supervisors; at present two main supervisors and four co-supervisors. The reason is most often that supervisors move. The choice to keep the main supervisor/co-supervisors or to change to an internal one, is made on a case-to-case basis with the student’s interest in focus. It is, however, important that the director of the PhD programme follow

up this arrangement on a regular basis, so that the geographical distance does not become a problem for the students, but that they have access to supervision to the same extent as those with internal supervisors.

PhD students typically have two supervisors. If they are of the same gender, the PhD student has the right to ask for a third supervisor. Most commonly, students have two male supervisors and are thus able to appoint a third female supervisor. However, female faculty staff are in minority at the department and several efforts are made by the management of the department to improve their numbers at all levels.

If the PhD student wants to change supervisor(s) this is not considered a problem by either students or supervisors. The students know that they can contact the director of the PhD programme if they want to bring up the possibility of changing. However, the PhD students are not informed that there are documents regulating procedures for changing supervisors due to a conflict. Conflict-driven changes are, however, uncommon.

Although the department's faculty represent many subfields, supervisors are not available in all areas of economics. In the students' report, a lack of macroeconomists is mentioned. The major fields within economics are macroeconomics, microeconomics, and econometrics. Many PhD programmes in economics include broad first-year (doctoral level) mandatory courses in all three subfields, together with mathematics, while courses offered during the second year are elective and more specialized, often reflecting the research profile at the department. All such programmes in Sweden try to maintain a balance between the three subfields during the first year, but many have had difficulties recruiting teachers/researchers in especially macroeconomics, since research within this subfield and potential teachers/supervisors tend to be concentrated to a few places (such as the Riksbank and SSE).

We notice that the department, in spite of this difficulty, has eight researchers in macroeconomics according to their webpage. However, there is no full professorship in macroeconomics at the department, which may be a matter of concern regarding the long-term sustainability of the PhD programme. Having a decent standard of first-years courses in macroeconomics can be seen as necessary for a competitive PhD programme (i.e., relevance for doctoral students irrespective of subsequent specialization). Also (and in response to the question whether the programme "answers to societal needs"), it seems wise that LU as one of the main national providers of a PhD programme in economics, should be able to give the PhD students a strong basis in macroeconomics at least at the first-year course level.

Overall, we think that the programme has adequate supervision, especially as the department is flexible in also making use of external supervisors when needed.

Most supervisors have undergone the mandatory week of training in research supervision.

## **1. Area Environment and Resources**

### **1.3. Research studies environment**

Concerning the physical environment, most PhD students are located in another building than the main building of the department of economics. This is problematic as spontaneous encounters become less frequent than what is preferred by the PhD students. They would very much appreciate being located with the rest of the department's faculty (researchers/supervisors). It is good that the PhD students have their offices in the main building during their second year, which facilitates the matching with supervisors. It is hard to change the actual premises, but perhaps one could think of relocating whole research groups to make PhD students more integrated. If not, we at least want the department to be aware that this is a real problem and try to take measures to alleviate it as far as possible.

In the interviews with the PhD students, the issue of stress and the psychosocial working environment was lifted several times. The faculty provides a course in stress and time management which is a great resource, but it is vital that this is implemented correctly and that it reaches the intended audience, preferably as early as possible in the PhD programme. PhD students that are in need of sick leave or similar interventions are probably not helped by a course. One source of stress is the novelty of the PhD environment, and this could be helped by a sort of mentor programme, similar to the one deployed at Uppsala University, where more senior PhD students are paired up with junior PhD students. This way, the more junior ones get guidance in how to navigate through their doctoral studies. For PhD students coming from abroad, this is extra helpful since the novelty comes in two dimensions, both the novelty of the PhD programme and the novelty of the Swedish context.

Most PhD students finish their thesis in time. A high and possibly growing share enters the international job market, with its specific requirements (being able to present a well-polished Job Market Paper (JMP), etc), while others continue to careers outside academia. Like many other economics departments, the department in Lund does not hire their own graduates but requires that those who want to make an academic career go elsewhere for a postdoc or assistant professorship. While this policy is increasingly common, not all Scandinavian departments apply it. Hence, PhD students in Lund perceive that they face a smaller labor market than students graduating from e.g., Oslo or Copenhagen. Looking at the list of recent placements, we notice that the graduates typically get very good positions, which indicates that they are competitive on the job market.

## **1. Area Environment and Resources**

### **1.4. Summary evaluation**

In summary, the department has adequate physical and personnel resources for conducting an internationally competitive PhD programme in economics. In most parts we think the quality is high.

On the positive side, we want to highlight:

- The relations and work between supervisors and PhD students seem to work well. Students are happy with their supervisors and their support.
- Supervisors are highly qualified.
- PhD students mostly finish on time and get good placements.

Some potential improvements:

- Facilitating the matching between supervisors and students would be beneficial, especially for students who are new to the department and its researchers.
- The physical environment could be difficult to change, but one should try to mitigate the problem experienced from the physical distance between PhD students and faculty.
- A greater awareness of the psychological (stress) working environment is needed from the department's management.

## **2. Design, implementation and outcomes**

### **2.1. Achieving objectives – knowledge and understanding**

PhD programmes in economics are worldwide influenced by the successful US format consisting of two years of initial course work followed by two years thesis work. In Sweden, this became the standard format following recommendations in an evaluation in the early 1990's by a group of distinguished international experts (Engwall, ed., 1992). With this programme structure, the first-year courses introduce generic tools used in the research literature while more specialized second year courses cover topics and methods that prepare for the subsequent thesis work. However, the heavy initial course programme is expensive and gives rise to economies of scale with regard to class size. In the European context, i.e. with nationally fragmented university structure, as in Sweden, it is often difficult to sustain programmes with a minimum of 10 – 30 students in the classes. Various remedies have been created to reduce the economic burden from this programme structure on universities with smaller numbers of annual admissions. One is to reduce the course programme to something less than four semesters. Another is collaboration with other universities. A third possibility is to admit PhD candidates only every second year.

For instance, several PhD programmes in economics in Sweden have reduced the course requirements from 120 to 105 HEC; universities in Finland (Helsinki, Aalto, Hanken); the Stockholm-Uppsala region (SU, SSE, KTH and UU); and in southern-middle Sweden (ÖU, SH, LnU, LiU, JIBS), respectively, cooperate within a region in provision of complete course programmes. Bi-annual admission has been offered at some places during some periods. In contrast the solution chosen in Lund is to combine the course programmes at the master and doctoral levels and to reduce the total coursework required. In this way, it has been possible to offer a course programme that is mainly provided in-house and on an annual basis.

We are, however, concerned with several features of this solution. One is the limitation of the required coursework. PhD students at LU have 90,5 HEC, while many comparable departments have 105 HEC of PhD courses. The department management should be alerted to the fact that, in the most recent (2018) QA evaluation by UKÄ, 90 HEC required coursework was considered as insufficient for making a high-quality assessment of some of the evaluated PhD programmes in

economics. Further, from the interviews we have conducted, it appears that students in fact, for the most part, take more courses than what is formally required, which suggests that the amount of required course work often is less than needed for the thesis work. We therefore strongly recommend that the required coursework is increased to 105 HEC.

Moreover, some quality and equivalence issues arise when courses are studied jointly by master and PhD students - as they are at the department of economics LU. Both groups get the same teaching and exam, but PhD students also have to do a research-oriented assignment. This, however, implies that there is no real progression in the courses from master to PhD level as the courses as such are not more advanced for PhD students. Also, the additional assignments are not always considered by the PhD students to be particularly relevant. These assignments were, by some students and for some courses, considered to be tasks mainly for the purpose of distinguishing examination between master and PhD students, not being tasks to further their research aptitude.

This also gives rise to problems with equivalence among admitted PhD students. Students with a master's degree from LU and those from outside have very different circumstances for their coursework. People from outside take all courses (and write assignments), while, for some of the courses, LU master students just have to write an assignment. This means that they need to spend less time on course work, and have more time left for research, than their peers with a master's degree from other universities.

Our main concerns with these joint courses are that the level of the courses become too low for the PhD students, that the conditions for the students differ depending on where they took their master, and that the examinations do not always seem to be relevant. Course evaluations are also not separated between master's and PhD students, which further makes it difficult to assess the PhD students' views and needs in the courses. Hence, we strongly recommend that the department gives specific PhD courses so that there is a clear progression from master's to PhD level. It is also crucial that the examination is relevant for the students in relation to the coursework.

It would be useful with more research related courses, especially during the second year - it is our perception that the links between courses and actual research are too weak in the existing courses. Perhaps one cannot uphold that many second-year courses in-house, but we appreciate that there is funding enabling PhD students to take second year courses elsewhere. This opportunity is taken by most students and many also take courses while at international exchange.

We also agree that the previous practice of using PhD students as course coordinators and examiners should not be continued. As we have understood it, this is something that already has changed, but we want to emphasize that PhD students should not be examiners, and certainly not of their peers. PhD students could act as teaching assistants and give exercises, but the main teachers and examiners must hold a PhD. If one cannot find suitable lecturers at the department for certain courses, one should involve external lecturers to be responsible for the courses instead of making use of their own PhD students for such purposes.

The PhD programme is international in several aspects. The students come from different countries and the structure of the programme follows an international standard, which prepares students for an international job market. Moreover, students are recommended to spend a semester abroad, which gives them both an international experience and an international network. Students also have to present their research at international (and national) workshops/conferences. They become well prepared for the international job market and during the most recent years a majority of graduates have got a job outside of Sweden.

The PhD students are encouraged to attend several parallel seminars during their education and meet guest researchers visiting the department. Seminar participation is considered to be an important part of the PhD students' education. It also means that they could obtain insights into different kinds of research topics and research methods. We appreciate that there are frequent seminars by external scholars that the students may benefit from.

## **2. Design, implementation and outcomes**

### **2.2. Achieving objectives – competence and skills**

Since the PhD students are offered the same courses as the master students, it becomes unclear if the PhD students at LU are able to gain as much extra skills and tools as PhD students at other universities where courses are exclusively targeted to PhD students. The compulsory coursework is meant both to prepare students for the more specialized second-year courses and to give an overall general knowledge that could be expected from someone with a PhD in economics. Especially the latter is something that worries us.

The department has replaced the final seminars with external referee reports for each dissertation chapter. This change has, according to the supervisors we talked to and the department's management, increased the quality of the process. Although we cannot compare the approaches, we conclude that the current one seems to work well. Each paper can be reviewed when it is done instead of reviewing all of them at the end. It is also easier to get someone to read one paper and give comments rather than coming to Lund to discuss a full dissertation. Hence, reviewers can be more qualified for each specific paper, which is positive for the quality. The reviewers categorize their comments in (A) severe criticism, (B) criticism, and (C) minor remarks. The report and the necessary revisions are discussed, not only with the supervisor, but also with an additional senior researcher at the department. We find this a good practice of the quality assessment of the doctoral theses and recommend that the department continues with it. The only thing we are somewhat worried about is that replacing the final seminar with a referee process gives the students fewer occasions to present and defend their work orally, something that are also important skills to acquire during the PhD programme, not only for those aiming for an academic career.

PhD students decide whether they want to go on the academic job market or search for a job outside of academia. Right at the start of the programme both these possibilities are lifted, and students choose how to organize their thesis accordingly. Some write a JMP, while others choose not to and they may instead include one more policy oriented paper in their dissertation. There is support and organized preparations for those going on the market. Our impression is that PhD students are enabled to acquire and prove skills in relation to the path they choose, whether their future career is within or outside of academia.

## **2. Design, implementation and outcomes**

### **2.3. Achieving objectives – judgment and approach**

Filling in the Individual Study Plan (ISP) is viewed by the students as a "task that you need to get through". It therefore seems that it is not (always) used as a planning tool to aid them (and supervisors) in seeing the progress that they have made or help them in planning their work moving forward. To what extent the ISP is filled in or used properly depends on the supervisor and varies significantly across students and supervisors. The supervisors mention that they preferred the old version of the ISP that was shorter and therefore more easily overviewed. The new version is regarded as including too many irrelevant fields that need to be filled in. However, we noticed somewhat differing views between supervisors and students on the relevance of the ISP; the supervisors are more positive and feel that it is more useful than the students do.

From our understanding, the ISP system is being revised on the faculty level so that the ISPs are to get a common standard across departments. We think it is good to revise the system, and especially how the ISPs are used. A department-wide standard should be set so that the ISPs could be useful tools throughout the programme for both students and supervisors.

## **2. Design, implementation and outcomes**

### **2.4. Summary evaluation**

From what we have learned from the documents and our visit the PhD programme is highly respected and successful. Students get (in most parts) relevant courses, write good dissertations and acquire skills that prepare them well for the future.

On the positive side, we want to highlight:

- The rather new practice to use external referee reports seems to have increased the quality assessment of the doctoral theses. It is a good example of the department's work in improving the PhD programme.
- There is funding that enables PhD students to take specific courses at universities and to go to international conferences.
- Students are encouraged to spend a semester abroad.
- There is a high degree of flexibility in the way dissertations look, depending on whether PhD students want to go on the academic job market or aim for a career outside of academia.

Some potential improvements:

- Increase the number of course points required.
- Make sure that PhD students are offered pure PhD courses at the right level and relevant to them.
- A department-wide ISP standard would improve its usefulness. However, it is important that both supervisors and the PhD students consider it as a helpful planning and evaluation tool.

## **3. Working life perspective**

The necessary support during the job-market process sometimes implies heavy work for the supervisors, as well as for the PhD students. The supervisors do not count the exact hours for supervision, but instead they consider it as a four-year project and assignment. We did not hear that this has led to friction (between student and supervisor or between supervisors), possibly indicating that the capacity for supervision is not overly strained (see also 1.2). However, the workload of supervisors varies much over time. Something that needs further discussion and attention from the department management is how the workload is being changed by the students' increased orientation towards preparation for the international academic job market. This involves more work for supervisors, not least when the PhD-students need the rather elaborate recommendation letters for their job-market applications. Possibly, it will become necessary to review the number of hours for supervision for this reason.

It is our understanding that there is generally no problem to combine family with work during the PhD studies and that the department is helpful in accommodating new parents. However, during the interviews with the PhD students, there seems to be a worry that having children during the education implies increased stress.

#### **4. Doctoral student perspective**

Both in the written report and in the interviews, the PhD students express that they are overall happy with the department and the quality of the programme. Students are especially happy with their supervisors, who they consider to be both knowledgeable and supportive.

However, PhD students of today are often stressed, and mental health issues are rather common. We expect the situation among the students in Lund to be no different. Department management is experienced to be supportive and professional when it comes to sick-leave and rehabilitation. Issues that are not so severe that they call for sick-leave are, however, experienced not to be considered as serious enough. Students sometimes feel that they need to wait until circumstances are really bad until they get the help needed, even though, e.g., sick-leave could have been avoided if help was given right away. Even though they were able to take sick-leave when needed, some students feel pressured to return before being fully recovered. Concerning the issue of financing, there does not appear to be a system in place for when the students fall behind due to health issues. This is something that may increase stress even further. Hence, a thought through and transparent strategy from the department management for how to deal with this would be helpful for the PhD students. It would be desirable with some more proactive work that identifies problems at an early stage.

As we brought up under 1.3, students regard it as a big disadvantage that they are not located together with the faculty staff. According to the PhD students, it negatively affects their chances to build professional networks, their daily well-being and work in the office, and more or less everything connected to their PhD studies at the department.

The PhD students are represented in several of the department's bodies. It was, however, mentioned in the student's report, that it is difficult to find representatives for boards and committees. We could also observe that not all PhD students are informed about these tasks. We believe that the idea of informing additionally about the prolongation associated with the different positions, as is proposed in the student's report, might improve the interest among the PhD students for this kind of work.

It also seems (according to the students' report) as if the PhD students have had difficulties in reaching the department's management regarding problems with, e.g., courses at the PhD programme. We speculate that this problem could be amplified by the fact that the views of master students and PhD students are mixed in course evaluations and that the wants and needs of these two student groups may differ substantially.

## **5. Gender equality perspective**

The department considers working for gender equality important, not least at the PhD programme.

The gender parity among the PhD students is relatively equal and the department has found no signs that PhD students are being treated unequally due to their gender. However, the PhD students have fewer female than male role models at the department, and women count only for one fourth of the supervisors. Therefore, the work and resources currently employed for improving gender parity remain important. A valuable initiative is the department's practice of giving PhD students an additional third supervisor, when the current supervisors are of the same gender. This measure also increases the opportunities for the department to introduce junior (female) scholars to PhD supervision. Other important measures, financed by supplementary means by the department, are: the creation of opportunities for female scholars to attain formal merits at the department; the encouragement of female researchers to apply to vacant positions; and invitations of female guest professors to the department. These measures remain crucial for attaining gender equality at the department. However, there is still room for improvement, and we encourage the department to continue their efforts to achieve a more equal gender bias among researchers and supervisors.

## **6. Sustainability perspective**

The baseline premise of economics is that resources are scarce. Thereby, most teaching of and research in economics directly or indirectly touch upon questions of sustainability. Several research projects at the department are targeting sustainability issues. Recently a large new project in sustainable finance was initiated, which involves multiple researchers and one PhD student at the department. As an effect, we believe that the environmental economics competency of the department will grow.

Among the PhD students, the department could increase the interest for discussing and implementing sustainability perspectives in the students' own research and teaching. For example, one could arrange PhD-level courses in collaboration with other universities. Another conceivable measure is to invite professors in these fields to seminars hosted by the department, which would expand and deepen the knowledge of, e.g., social and environmental sustainability at the department. By this means, the management of the department would also help the researchers and teachers of the department to become even better at including such perspectives at all levels of their research and teaching.

Ethics is an issue related to sustainability. We notice and appreciate that there is now a compulsory PhD course in research ethics. We believe, however, that also the faculty in general and the supervisors in particular need to continuously update and discuss research ethics.

## **7. Other comments**

## 8. Summary evaluation and recommendations

Most PhD programmes in Economics follow a similar structure: generic courses in mathematics, micro- and macroeconomics, and econometrics are followed by more specialized courses and then two years of thesis writing. Lund does the same and our overall assessment is that the programme is well functioning in all its major parts. The Department of Economics at Lund University offers a PhD programme in parity with other Swedish economics departments where students become well equipped for a career within or outside of academia. Most major parts of the education are of high quality, and we see no need for any revolutionary changes of the programme.

However, we have identified some things we regard as problematic and that should be attended to. Below, we list suggestions and recommendations that we think would improve the programme. We would like to stress that our main concerns are related to the course programme.

- Facilitate the matching with potential supervisors for all students, e.g., by means of the kind of 'speed dating' described under 1.2.
- The geographic distance between the PhD students and the faculty is a problem. We recommend that the department makes stronger efforts to mitigate the problem.
- We are concerned with the coursework in the programme. We think there are too few courses and often at a too low level. Hence, we recommend:
  - Increase the number of course credits to 105 HEC.
  - Do not use master-level courses for PhD students. If pure PhD courses become too expensive, we instead recommend increased collaboration with other universities.
- We recommend the department and/or the university faculty in future strategic recruitment planning to consider how PhD-level teaching in macroeconomics can be further strengthened, possibly in collaboration with other universities.
- PhD students must not be course examiners at all and should not be responsible for the main teaching of other PhD students.
- Set a department-wide standard for how the ISPs are used so that they really could be used as an aid in the process.
- An increased awareness of mental health issues is needed, as discussed under 4. We appreciate that the department is supportive when severe problems turn up, but proactive work that identifies problems at an early stage could be improved.
- Keep on the efforts to increase gender equality among faculty and PhD students.
- Be aware that supervision of job market candidates is time consuming, so that the workload of supervisors does not become too heavy.
- There is now a compulsory PhD course in research ethics. However, we think that also the supervisors need to continuously update and discuss research ethics with the PhD students.
- Already at the start of the PhD programme, students should be encouraged to take on positions as representatives in committees and boards and informed about the prolongation associated with those tasks.
- The course evaluations should always be designed to assess the quality of courses at the PhD programme.