

Economics 4345/7345
Economics of Education
Spring, 2018
M,W 9:30-10:45
Stringer 145

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Overview

Education plays an important role in economic growth and development. Human capital is the most important investment in any modern economy. For this reason the development of human capital plays a central role in current policy debates about economic performance. What are the private and social returns to human capital investments? How can we improve the delivery of K-12 education? How can we close achievement gaps between white and minority students? How should K-12 and higher education be financed? How can we improve access to higher education?

The goal of this course is to use economic theory and econometric research methods to analyze education policy and the market for education and training.

Prerequisites

In addition to economics principles, students need to be familiar with basic statistics and multiple regression analysis.

Grades

Grades will be based on a mid-term exam, a final exam, and a paper. Students will write a short survey paper on a mutually agreed-upon topic. The paper will survey or critically describe the methodology and findings of 4-6 research articles on the chosen topic.

Survey Paper	30%
Mid-Term exam	35%
Final Exam	35%

I take it as a given that students will attend class and participate in class discussion. Although I have not shown an explicit “class participation” component, students who regularly skip class will suffer a grade penalty.

Students will be expected to read a book, along with numerous journal articles, reports, and working papers. With the exception of the book, all of these readings will be in folders on Canvas.

The exams will be largely essay or interpretive type questions.

Readings

There are no required textbooks in this course. Articles and papers reside in folders on Canvas. I have ordered one book that we will read at the beginning of the semester

Enrico Moretti. (2012) The New Geography of Jobs. New York: Houghton-Mifflin Harcourt

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SPECIAL NEEDS:

If you have special needs as addressed by the Americans With Disabilities Act, please notify the instructor immediately. Reasonable efforts will be made to accommodate your needs. Course material is available in alternative formats if requested. For questions regarding Americans With Disabilities Act accommodations, contact the MU Access Office, A048 Brady Commons.

Schedule of Topics and Readings	
Week 1	Introduction. Moretti
Week 2	Moretti, Background (Hayek)
Week 3	Statistics review, Ed and Econ. Growth (Goldin Katz, Hanushek & Kimko, Hanushek&Woessman
Week 4	Notes on Ed Measurement, Human Capital (Borjas, Angrist&Krueger, Neal&Johnson)
Week 5	Education Production (Hanushek 2003, Aaronson&Barnow&Sander, 2007, Chetty, et. al)
Week 6	Teacher Labor Markets (Podgursky, 2005, Hoxby, 1996, Costrell&Podgursky, 2008, 2010; Koedel, Ni, Podgursky, 2014)
Week 7	Mid-Term Exam
Week 8	K-12 School Finance (Shuls, Black, Murray/Evans/Schwab)
Week 9	Accountability and Standards (Hanushek&Raymond; Rouse, et al; Jacob&Levitt;)
Week 10	School Choice (Friedman, Neal, Mathematica KIPP)
Week 11	SPRING BREAK
Week 12	Early childhood
Week 13	Higher Ed (Gordon&Katz, Winston, conference board)
Week 14	Higher Ed (Hoxby 2009; Hoxby&Avery, 2013)
Week 15	Higher Ed (Arcidiacono, Koedel, 2013; Hoxby, 2014)
Week 16	Higher Ed
Final Exam	