



Fall Term 2013

Leading House PH.D. Course Microeconomic Foundations of Economics of Education - Syllabus -

Lecturer:	Prof. Dr. Ludger Woessmann; University of Munich and Ifo Institute
Workshop dates:	October 07-10, 2013
Location:	University of Zurich, Room tba
Preliminary Schedule:	The lectures take place in the form of an intensive 4-day course. Monday, Oct. 07: 09:00-18:00 Tuesday, Oct.08: 09:00-18:00 Wednesday, Oct.09: 09:00-18:00 Thursday, Oct.10: 09:00-18:00
Module Number; ECTS:	DOEC0425; 3 ECTS
Course webpage:	tba

Course overview

The human capital of the population is a key determinant of labor-market success and economic growth. This brings the economics of education to the core of understanding individual and societal economic prosperity. This course will analyze the microeconomic foundations of the economics of education. We will study the efficiency and equity of educational production. The focus will be on the school system, but the broader lifecycle of education policy will also be covered. While studying recent applied research on education policy, we will also cover up-to-date econometric methods for the empirical identification of causal effects in the economics of education.

Topics

Introduction

- Why an "Economics" of Education?
- Economics of Vocational Education
- Measuring Educational Performance

Efficiency of Educational Production

- The Education Production Function
- Effects of Class Size and Funding: Identification and Interpretation
- Teachers and Teaching
- Institutional Effects: Principals, Agents and Incentives
- Accountability and Central Exams
- School Autonomy
- School Choice and School Competition
- Incentives for Students and Teachers

Equity of Educational Production



- Family-background Effects
- Intergenerational Mobility
- Peer Effects and Social Interaction
- Tracking
- Choice and Equity
- Other Determinants of Educational Equity

The Lifecycle of Education Policy

- Dynamic Synergies in Skill Formation
- Early Childhood Education
- Vocational Education
- Higher Education
- Adult Education

Concluding Considerations on Topics and Methods for Research

Key literature

- Abdulkadiroglu, A., J. Angrist, S. Dynarski, T. Kane, P. Pathak (2011). Accountability and Flexibility in Public Schools: Evidence from Boston's Charters and Pilots. *Quarterly Journal of Economics* 126 (2): 699-748.
- Angrist, J.D., J.-S. Pischke (2009). *Mostly Harmless Econometrics: An Empiricist's Companion*. Princeton, NJ: Princeton University Press.
- Björklund, ., K.G. Salvanes (2010). Education and Family Background: Mechanisms and Policies. In: E.A. Hanushek, S. Machin, L. Woessmann (eds.), *Handbook of the Economics of Education*, Vol. 3: 201-247. Amsterdam: North Holland.
- Chetty, R., et al. (2011). How Does Your Kindergarten Classroom Affect Your Earnings? Evidence from Project STAR. *Quarterly Journal of Economics* 126 (4): 1593-1660.
- Chetty, R., J.N. Friedman, J. Rockoff (2012). Measuring the Impacts of Teachers I & II. Harvard University.
- Deming, D.J., J.S. Hastings, T.J. Kane, D.O. Staiger (2013). School Choice, School Quality and Postsecondary Attainment. *American Economic Review*, forthcoming.
- Fryer, Roland (2011). Financial Incentives and Student Achievement: Evidence from Randomized Trials. *Quarterly Journal of Economics* 126 (4): 1755-1798.
- Hanushek, E.A. (2002). Publicly Provided Education. In: A.J. Auerbach, M. Feldstein (eds.), *Handbook of Public Economics*, Vol. 4: 2045-2141. Amsterdam: North-Holland.
- Hanushek, E.A., S. Link, L. Woessmann (2013). Does School Autonomy Make Sense Everywhere? Panel Estimates from PISA. *Journal of Development Economics*: forthcoming.
- Hanushek, E.A., S. Machin, L. Woessmann, eds. (2011). *Handbook of the Economics of Education*, Vol. 3+4. Amsterdam: North-Holland.
- Hanushek, E.A., S.G. Rivkin (2012). The Distribution of Teacher Quality and Implications for Policy. *Annual Review of Economics* 4: 7.1-7.27.
- Hanushek, E.A., L. Woessmann (2008). The Role of Cognitive Skills in Economic Development. *Journal of Economic Literature* 46 (3): 607-668.
- Hanushek, E.A., L. Woessmann (2011). The Economics of International Differences in Educational Achievement. In: E.A. Hanushek, S. Machin, L. Woessmann (eds.), *Handbook of the Economics of Education*, Vol. 3: 89-200. Amsterdam: North Holland.
- Harris, D.N., T.R. Sass (2011). Teacher Training, Teacher Quality and Student Achievement. *Journal of Public Economics* 95 (7-8): 798-812.
- Lavy, V. (2010). Effects of Free Choice among Public Schools. *Review of Economic Studies* 77 (3): 1164-1191.
- Metzler, J., L. Woessmann (2012). The Impact of Teacher Subject Knowledge on Student Achievement: Evidence from Within-teacher Within-student Variation. *Journal of Development Economics* 99 (2): 486-496.
- Muralidharan, K., V. Sundararaman (2011). Teacher Performance Pay: Experimental Evidence from India. *Journal of Political Economy* 119 (1): 39-77.



- Pekkala Kerr, S., T. Pekkarinen, R. Uusitalo (2013). School Tracking and Development of Cognitive Skills. *Journal of Labor Economics* 31 (3): 577-602.
- Rivkin, S.G., E.A. Hanushek, J.F. Kain (2005). Teachers, Schools, and Academic Achievement. *Econometrica* 73 (2): 417-458.
- Rockoff, J., D. Staiger, T.J. Kane, E. Taylor (2012). Information and Employee Evaluation: Evidence from a Randomized Intervention in Public Schools. *American Economic Review* 102 (7): 3184-3213.
- Rothstein, J. (2010). Teacher Quality in Educational Production: Tracking, Decay, and Student Achievement. *Quarterly Journal of Economics* 125 (1): 175-214.
- Schlotter, M., G. Schwerdt, L. Woessmann (2011). Econometric Methods for Causal Evaluation of Education Policies and Practices: A Non-Technical Guide. *Education Economics* 19 (2): 109-137.
- Schwerdt, G., D. Messer, L. Woessmann, S.C. Wolter (2012). The Impact of an Adult Education Voucher Program: Evidence from a Randomized Field Experiment. *Journal of Public Economics* 96 (7-8): 569-583.
- Urquiola, M., E. Verhoogen (2009). Class-size Caps, Sorting, and the Regression-discontinuity Design. *American Economic Review* 99 (1): 179-215.
- West, M.R., L. Woessmann (2010). 'Every Catholic Child in a Catholic School': Historical Resistance to State Schooling, Contemporary Private Competition and Student Achievement across Countries. *Economic Journal* 120 (546): F229-F255.

Target audience and preconditions for participation

The course is particularly designed for doctoral students in economics of education. Doctoral students in economics or business economics with a strong interest in microeconomic foundations of economics of education are welcome as well.

Credit requirements and grading

1. Full course attendance is required to receive ECTS-Points. Students are expected to come prepared to the course. It will facilitate discussions and improve overall learning.
2. Presentation in class.
3. Take-home exam.

Application

The number of participants is limited. Course registration **until August 30, 2013** is mandatory. Please send your application (including a one-page CV) to yvonne.oswald@business.uzh.ch.

WWF Statutory Course Policies

According to WWF study regulations, all exam dates are final as published in the VVZ and syllabus. This means that the final exam date is not negotiable. It will not be possible to take any exams on different dates.

Academic dishonesty in any form will not be tolerated. Anyone caught cheating or engaging in unethical behavior will be reported to the Dean's office according to the guidelines on academic dishonesty set forth by the University of Zurich.

The information in this syllabus supports the official information in the electronic university registration tool (VVZ – Vorlesungsverzeichnis). In cases of doubt, the official information at the VVZ is decisive.

For UZH students: Don't forget to officially register using the registration tool of the University of Zurich.