Course Description:

Over the past twenty years economics has made a number of contributions to understanding the role of education in the wider economy and the effectiveness of various education policies. This course provides a broad overview of the different issues in education that economists study. Through readings and discussion we will study the various aspects of the intersection of economics and education with a focus on US education policy. Topics include human capital, education production, and a selection of current education reforms. The primary purpose of this course is to teach you how to conduct original research and to apply those skills to studying an issue in economics of education. To that end, throughout the first half of the course we will read and discuss about various issues in the economics of education with a focus on K-12 education. In the second half we will focus on the writing of the research paper through one-on-one meetings, descriptions of research topics, review of econometrics, instructions in how to use Stata, presentations, and assignments.

Prerequisites: (EC 251H or EC 301) and (EC 252H or EC 302) and (EC 420 and completion of Tier I Writing requirement).

Course webpage: http://www.msu.edu/~imberman/ec499

Class meetings: Class will meet on Mondays and Wednesdays from 3:00pm to 4:20pm in Wells C200.

Office Hours: Mondays and Wednesdays 10:00am – 11:30am or by appointment.

Requirements and grading:

Your grade in this course will be calculated as follows:

Class Participation and Attendance – 10%
Midterm – 15%
First Draft – 20%
Presentations – 10%
Final Paper – 45%

Descriptions of the course requirements are as follows:

(1) Readings – Readings will be a mix of selections from *International Encyclopedia of Education* (referred to as “Encyclopedia” below) from the *Handbook of the Economics of Education* (referred to as “Handbook” below). These selections are available electronically through the MSU libraries. The Encyclopedia can be found at [http://www.sciencedirect.com.proxy2.cl.msu.edu/science/referenceworks/9780080448947](http://www.sciencedirect.com.proxy2.cl.msu.edu/science/referenceworks/9780080448947). You may also purchase a hardcopy book that includes the readings from the Encyclopedia. This book is called *Economics of Education* edited by Dominic J. Brewer and Patrick J. McEwan and is available from Amazon, the college bookstore, and other booksellers. The Handbook can be found at [http://catalog.lib.msu.edu/record=b6664136~S39a](http://catalog.lib.msu.edu/record=b6664136~S39a). To download or print the documents you need to create a free ebrary account by clicking on the link for the appropriate volume. Some additional articles from various sources will also be used. Links to these are provided on this syllabus and on Angel. Articles from other sources can be accessed through Angel under the “Resources” tab for this course. Some additional references that may be useful, but are not required for the course are *Introductory Econometrics* by Jeff Wooldridge, or an equivalent undergraduate econometrics textbook and *Getting Started with Stata* available at [http://www.stata.com/bookstore/getting-started-windows/](http://www.stata.com/bookstore/getting-started-windows/).

(2) Midterm – About halfway through the course we will have a midterm exam that will test you on the readings and class discussions.

(3) Attendance and Participation – In order to succeed in the research component of this course it is essential that students attend class regularly. Discussion of topics and reflections on the readings are essential for understanding the relevant issues. Thus students are required to read all material before class, attend and participate. Attendance will be recorded. Students will be able to miss two classes without affecting the attendance portion of the grade. Each additional day missed will result in a 1/3 letter grade deduction for the attendance portion of your final grade.

(4) The Research Paper – The research paper will be assessed in three parts. Each student must do his or her own paper (though multiple students can work on the same topic). No group projects will be permitted. However, you are encouraged to interact with each other and ask questions of each other. This will be facilitated through the use of discussion forums through Angel. **All written work will be uploaded to the appropriate dropbox on Angel.** I will base all deadlines by the timestamp on the upload. All items must be in PDF, Microsoft Word, or similar word processor format. Any late item will result in a reduction of the grade for the assignment. I will deduct 1/3 of a letter grade (e.g. A- to B+) for missing the deadline followed by an additional 1/3 letter grade for each additional 24 hours the assignment is late. All assignments should be in Times New Roman 12 pt type and double-spaced with 1 inch margins. Failure to abide by these requirements will result in a full letter grade (e.g. A to B) reduction on the
assignment. Further I will deduct 1/3 letter grade off the assignment for exceeding the page maximum and an additional 1/3 letter grade for each additional page in excess of the maximum.

a. Paper proposal – Immediately after the midterm I will hold meetings with students during class time to discuss their paper topics. Each student must meet with me at least once - either during this period or earlier in the semester – to discuss their topic. All topics must be approved by me. Students will then write a 2 page maximum paper proposal. This will be due by 11:59pm on Friday, Nov. 2. The proposal will not be graded, but failure to turn in a satisfactory proposal by the deadline will result in a full letter grade reduction in your final paper grade.

b. First draft – A first draft of the paper will be due by 11:59pm on Friday, Nov 16. The first draft must include at least a literature review, a discussion of the data to be used, and a description of the analysis to be conducted. The draft cannot exceed 10 pages.

c. Presentation – Each student will give a 10 minute presentation on their project in class during the last two weeks of class. More details will be provided.

d. Final paper – The final paper will be due by 11:59pm on Friday, December 7 (last day of classes). I will provide more details of what needs to be in the final draft after the midterm. The final paper cannot exceed 15 pages.

***Note that if you have a question or concern regarding your grade on any assignment you need to bring it up within one week after it is returned. After that I will not entertain any requests for grade changes.***

Academic Honesty: Students are expected to abide by the academic honesty requirements set forth here [https://www.msu.edu/~ombud/academic-integrity/index.html](https://www.msu.edu/~ombud/academic-integrity/index.html). Any academic dishonesty will not be tolerated and is subject to referral to the appropriate review process. All written assignments for this course will be evaluated for possible plagiarism using Turnitin. The university’s policy for use of Turnitin is copied here:

Consistent with MSU’s efforts to enhance student learning, foster honesty, and maintain integrity in our academic processes, instructors may use a tool called Turnitin to compare a student’s work with multiple sources. The tool compares each student’s work with an extensive database of prior publications and papers, providing links to possible matches and a ‘similarity score’. The tool does not determine whether plagiarism has occurred or not. Instead, the instructor must make a complete assessment and judge the originality of the student’s work. All submissions to this course may be checked using this tool.

Students should submit papers to Turnitin Dropboxes without identifying information included in the paper (e.g. name or student number), the system will automatically show this info to faculty in your course when viewing the submission, but the information will not be retained by Turnitin.
Incompletes: Incompletes are only provided in extraordinary circumstances and at the instructor’s discretion. The MSU Registrar’s office provides the following rules for the application of incomplete grades: “The I-Incomplete may be given only when: the student (a) has completed at least 6/7 of the term of instruction, but is unable to complete the class work and/or take the final examination because of illness or other compelling reason; and (b) has done satisfactory work in the course; and (c) in the instructor’s judgment can complete the required work without repeating the course”

Accommodations: University policy requires that reasonable accommodations be made for students with disabilities, and absences due to religious holidays and athletic competitions. Students who are absent for religious holidays or athletic competitions will not have their attendance grade affected by those absences, nor will they count to your two permitted absences, provided that you inform me in advance. Further, reasonable accommodations will be made for students who are absent for exams due to religious holidays or athletic competitions provided you inform me at least one week prior to the exam. Students who are ill will be permitted to make up the exam only if they provide documentation of their illness from a health professional or health care institution. Note that the documentation must attest that the student was too ill to take the exam. A note that simply states the student visited a clinic is insufficient. Whether accommodations for other reasons for missing exams will be provided are to be decided by the instructor on a case-by-case basis. Failure to provide reasonable documentation of your excuse or provision of an insufficient excuse could result in receiving a reduced grade or zero on the missed exam. Students with disabilities that require extra time for an exam or other accommodations must provide me with a Verified Individualized Services and Accommodations (VISA) document at least one week prior to the first exam at which point I will work with you to make alternative arrangements.

Course Outline:

This outline is preliminary and may change if the class goes too fast or too slow.

Week 1 – Aug 29

Introduction, Externalities and Public Goods

Encyclopedia:

“Theoretical Concepts in the Economics of Education” by Brewer, Hentschke & Eide
“Empirical Research Methods in the Economics of Education” by McEwan
“Data in the Economics of Education” by Perez and Socias

Week 2 – Sep 5 (No Class Sep 3 – Labor Day)

Externalities and Public Goods (continued)

Encyclopedia:

“The External Benefits of Education” by McMahon
Weeks 3 – Sep 10, 12

**Human Capital, Signaling and the Returns to Education**

*Encyclopedia:*

“Human Capital” by Eide & Showalter  
“Signaling in the Labor Market” by Page  
“Returns to Education in Developed Countries” by Gunderson & Oreopoulos  

*Handbook (Volume 1):*

“Educational Wage Premiums and The US Income Distribution: A Survey” by Deer & Vesovic

Week 4 - 19 (No Class on Sep 17 – Rosh Hashanah)

**Education Production Functions – Theory and Observable Inputs**

*Encyclopedia:*

“Education Production Functions: Concepts” by Harris  
“Education Production Functions: Evidence from Developed Countries” by Hanushek  
“The Economics of Class Size” by Schanzenbach  

*Handbook (Volume 2):*

“School Resources” by Hanushek


Week 5 – Sep. 24 (No Class Sep 26 – Yom Kippur)

**Discussion on Education Datasets**

Week 6 – Oct. 1, 3

**Education Production Functions – Teacher Quality and School Quality**

*Encyclopedia:*

“The Economics of Teacher Unions in the United States” by Strunk  
“Teacher Training and Preparation in the United States” by Podgursky, Springer and Hutton  
“School Quality and Earnings” by Betts  

*Handbook (Volume 2):*

“Teacher Quality” by Hanushek and Rivkin

**Peer Effects**

*Encyclopedia:*

“Neighborhoods and Peers in the Production of Schooling” by Vigdor and Ludwig  

*Handbook (Volume 3):*

“Peer Effects in Education” by Bruce Sacerdote

Week 7 – Oct. 8, 10

**Accountability**

*Encyclopedia:*
  “The Economics of School Accountability” by Figlio and Ladd

*Handbook (Volume 3):*
  “School Accountability” by David Figlio and Susanna Loeb


Week 8 – Oct. 15, 17

Midterm – Monday, October 15, in class.

One-on-one meetings during class time (25E Marshall-Adams) to discuss paper topics. These meetings are mandatory. Each student must sign up to meet with me either during the class periods or at an alternative time on or before October 24. I will send an email when the date approaches allowing you to sign up for a slot using Doodle (www.doodle.com).

Week 9 – Oct. 22, 24

One-on-one meetings during class time (25E Marshall-Adams) to discuss paper topics. These meetings are mandatory. Each student must sign up to meet with me either during the class periods or at an alternative time on or before October 24. I will send an email when the date approaches allowing you to sign up for a slot using Doodle (www.doodle.com).

Paper Proposal – Due October 26 at 11:59pm

Week 10 – Oct. 29, 31

**Econometric Techniques**

Week 11 – Nov. 5, 7

**Econometric Techniques**

**Stata Workshop**
Week 12 – Nov. 12, 14

**Stata Workshop**

**Paper Workshop**

First Draft – Due November 16 at 11:59pm.

Week 13 – Nov. 19, 21

One-on-one meetings during class time (25E Marshall-Adams) to discuss issues with writing paper and statistical analyses. While this is not mandatory, it is highly recommended. Since there is not enough time during the classes to meet with everybody, additional times will be made available this week. If no times offered work then we can make alternative arrangements. I will send an email when the date approaches allowing you to sign up for a slot using Doodle ([www.doodle.com](http://www.doodle.com)).

Week 14 – Nov. 26, 28

**Presentations** I will send an email when the date approaches allowing you to sign up for a presentation slot using Doodle ([www.doodle.com](http://www.doodle.com)).

Week 15 – Dec. 3, 5

**Presentations** I will send an email when the date approaches allowing you to sign up for a presentation slot using Doodle ([www.doodle.com](http://www.doodle.com)).

Final paper – Due December 7 at 11:59pm.