

# Swiss Leading House

## Economics of Education, Firm Behaviour and Training Policies



Co-Director  
Prof. Dr. Uschi Backes-Gellner



Co-Director  
Prof. Dr. Stefan C. Wolter

Fall Term 2017

### Leading House PH.D. Course

#### Microeconomic Foundations of Economics of Education

- Syllabus -

<b>Lecturer:</b>	Prof. Dr. Ludger Woessmann; University of Munich and ifo Institute
<b>Workshop dates:</b>	October 09-12, 2017
<b>Location:</b>	University of Zurich, Room tba
<b>Preliminary Schedule:</b>	The lectures take place in the form of an intensive 4-day course. Monday, Oct. 09: 11:30-17:30 Tuesday, Oct. 10: 09:00-17:30 Wednesday, Oct. 11: 09:00-17:30 Thursday, Oct. 12: 08:30-14:00
<b>Module Number; ECTS:</b>	DOEC0718; 3 ECTS
<b>Course webpage:</b>	<a href="http://www.educationeconomics.uzh.ch/en/Lehre.html">http://www.educationeconomics.uzh.ch/en/Lehre.html</a>

### 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.

[www.economics-of-education.ch](http://www.economics-of-education.ch)

The Swiss Leading House on "Economics of Education, Firm Behaviour and Training Policies"  
A Research Programme of the State Secretariat for Education, Research and Innovation SERI

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### 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
- New Technologies in Education
- 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
- Nudges: The Behavioral Economics of Education

#### *Equity of Educational Production*

- Families and Intergenerational Mobility
- Peer Effects and Social Interaction
- Tracking
- Early Childhood Development
- Choice and Equity

#### *The Lifecycle of Education Policy*

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

#### *Concluding Considerations on Topics and Methods for Research*

### Key literature

- Abdulkadiroğlu, A., J.D. Angrist, P.D. Hull, P.A. Pathak (2016). Charters without Lotteries: Testing Takeovers in New Orleans and Boston. *American Economic Review* 106 (7): 1878-1920.
- Angrist, J.D., J.-S. Pischke (2009). *Mostly Harmless Econometrics: An Empiricist’s Companion*. Princeton, NJ: Princeton University Press.
- Bietenbeck, J., M. Piopiunik, S. Wiederhold (2017). Africa’s Skill Tragedy: Does Teachers’ Lack of Knowledge Lead to Low Student Performance? *Journal of Human Resources*, forthcoming.
- Britton, J., C. Propper (2016). Teacher Pay and School Productivity: Exploiting Wage Regulation. *Journal of Public Economics* 133: 75-89.
- 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.

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- Chetty, R., J.N. Friedman, J.E. Rockoff (2014). Measuring the Impacts of Teachers II: Teacher Value-Added and Student Outcomes in Adulthood. *American Economic Review* 104 (9): 2633-2679.
- Dobbie, W., R.G. Fryer, Jr. (2015). The Medium-Term Impacts of High-Achieving Charter Schools. *Journal of Political Economy* 123 (5): 985-1037.
- Fairlie, R.W., J. Robinson (2013). Experimental Evidence on the Effects of Home Computers on Academic Achievement among Schoolchildren. *American Economic Journal: Applied Economics* 5 (3): 211-240.
- Falck, O., C. Mang (2017). Virtually No Effect? Different Uses of Classroom Computers and their Effect on Student Achievement. *Oxford Bulletin of Economics and Statistics*, forthcoming.
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- Fryer, R.G. Jr. (2014). Injecting Charter School Best Practices into Traditional Public Schools: Evidence from Field Experiments. *Quarterly Journal of Economics* 129 (3): 1355-1407.
- 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* 104: 212-232.
- Hanushek, E.A., S. Machin, L. Woessmann, eds. (2016). *Handbook of the Economics of Education*, Vol. 5. Amsterdam: North-Holland.
- Hanushek, E.A., J. Ruhose, L. Woessmann (2017). Knowledge Capital and Aggregate Income Differences: Development Accounting for U.S. States. *American Economic Journal: Macroeconomics*, forthcoming.
- Hanushek, E.A., G. Schwerdt, L. Woessmann, L. Zhang (2017). General Education, Vocational Education, and Labor-Market Outcomes over the Life-Cycle. *Journal of Human Resources* 52 (1): 48-87.
- Hanushek, E.A., G. Schwerdt, S. Wiederhold, L. Woessmann (2015). Returns to Skills around the World: Evidence from PIAAC. *European Economic Review* 73: 103-130.
- 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.
- Hanushek, E.A., L. Woessmann (2015). *The Knowledge Capital of Nations: Education and the Economics of Growth*. Cambridge, MA: MIT Press.
- Hanushek, E.A., L. Woessmann (2016). Knowledge Capital, Growth, and the East Asian Miracle. *Science* 351 (6271): 344-345.
- Jackson, C.K., R.C. Johnson, C. Persico (2016). The Effects of School Spending on Educational and Economic Outcomes: Evidence from School Finance Reforms. *Quarterly Journal of Economics* 131 (1): 157-218.
- Koedel, C., K. Mihaly, J.E. Rockoff (2015). Value-Added Modeling: A Review. *Economics of Education Review* 47: 180-195.
- Lafortune, J., J. Rothstein, D.W. Schanzenbach (2017). School Finance Reform and the Distribution of Student Achievement. *American Economic Journal: Applied Economics*, forthcoming.
- Lavy, V. (2010). Effects of Free Choice among Public Schools. *Review of Economic Studies* 77 (3): 1164-1191.
- Lavy, V. (2015). Teachers' Pay for Performance in the Long-Run: Effects on Students' Educational and Labor Market Outcomes in Adulthood. NBER Working Paper 20983. Cambridge, MA: National Bureau of Economic Research.
- Levitt, S.D., J.A. List, S. Neckermann, S. Sadoff (2016). The Behaviorist Goes to School: Leveraging Behavioral Economics to Improve Educational Performance. *American Economic Journal: Economic Policy* 8 (4): 183-219.
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- 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.
- 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.
- Schwerdt, G., L. Woessmann (2017). The Information Value of Central School Exams. *Economics of Education Review* 56: 65-79.
- 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.
- Woessmann, L. (2016). The Importance of School Systems: Evidence from International Differences in Student Achievement. *Journal of Economic Perspectives* 30 (3): 3-31.

### 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. Individual take-home exam.

### Application

The number of participants is limited. Course registration **until August 6, 2017**, is mandatory. Please send your application (including a one-page CV) to [franziska.burkart@business.uzh.ch](mailto:franziska.burkart@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.

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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.