

**George Mason University
College of Education and Human Development
Graduate School of Education**

EDUC 896-001: Economics of Education
3 Credits, Fall 2021
Monday 4:30-7:10 pm, Van Metre Hall 478, Arlington Campus

Faculty

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Prerequisites/Corequisites

Enrollment limited to students in the PhD program, and by faculty permission.

University Catalog Course Description

Explores selected topics in education across all doctoral specializations. Offered by Graduate School of Education.

Course Overview

This doctoral seminar will provide an overview of selected theoretical, conceptual and empirical perspectives on topics in the economics of education. We will apply economic principles to analyze a wide range of educational issues, including education finance, educator labor markets, school accountability and educational choice. This course assumes that students have no prior background in economics. Many of the readings will contain technical economic material, but the focus will be on the conceptual, theoretical and empirical findings of economic research within education. It is expected that students reflect on the findings we cover and how these findings may inform and relate to students' educational and professional experiences, and how economic theory and empirical evidence might inform students' experiences in education and education policy and how this disciplinary lens can be applied to students' own developing research topics. As we move through the course, students should gain a solid understanding of how economists think about and study education-related issues.

Each class meeting will be organized around a theme or issue in U.S. public education, including (but not limited to): (a) education production; (b) education finance; (c) the role of government in education; (d) teacher labor markets; (e) accountability and the role of principal-agent

relationships; and (f) educational choice and the political economy of schooling. We will dedicate the first part of each class meeting to framing the week's theme/issue in the context of social science and economic theory. We will ground the class discussion by clarifying key terminology and research methods presented in each week's empirical studies. The remainder of each class meeting will be dedicated to class discussion of the week's readings.

Course Delivery Method

This course will be delivered using a seminar/lecture format.

Learner Outcomes and Objectives

This course is designed to enable students to do the following:

1. Develop an understanding of the fundamental themes, topics, concepts and tools in the economics of education.
2. Engage with and discuss empirical research on major education policies through the lens of economic analysis.
3. Employ the tools and fundamental principles of economics to examine and analyze education policies.
4. Think critically about how the fundamental themes and concepts in the economics of education inform education policy debates and issues.

Required Texts

1. Lovenheim, M., & Turner, S.E. (2017). *Economics of Education*. New York, NY: Worth Publishers.
2. All other readings, including journal articles and shorter, non-technical articles, are available through the course blackboard page. (Note: some of the journal articles may contain statistical or methodological concepts that may be unfamiliar; we will review and discuss these concepts in class). The instructor can suggest additional readings on methodological and statistical concepts and education-policy related topics of interest.

Course Requirements and Performance Evaluation

Expectations:

1. Attend all classes. Please provide advance notice, when possible, if you must miss a class. On these occasions, please get notes and any handouts from a colleague.
2. Read all assignments carefully and thoroughly prior to class and bring copies (either hard or electronic copy) to class.
3. Actively participate in class discussions and activities and respectfully engage with one another.

4. Submit all assignments on time. All assignments are due by 4:00 p.m. on the date indicated in the *Assignments* section below and must be (i) emailed to the instructor at msteinb6@gmu.edu and (ii) uploaded to the assignments tab on Blackboard. Format for written assignments: Times New Roman size 12-point font, 1" page margins and 1.5" line spacing. Citations/references should adhere to the APA style guide manual.

Assignments:

1. Response Papers (30% of grade; 10% each). Each student will write three (3) response papers throughout the semester. Students will select and respond to one topic from the list of response paper prompts, which will be provided by the instructor (and posted on Blackboard). The response papers provide students an opportunity to critically analyze and respond to a topic (e.g., should – and how – schools evaluate teacher effectiveness). Students will incorporate empirical evidence from the course readings and apply economic concepts and tools to structure their response papers. The instructor will provide additional guidance – via the *Guidance for Writing Response Paper* document – on Blackboard.

Response papers are due by 4:00 p.m. on the date indicated below, and must be (i) emailed to the instructor at msteinb6@gmu.edu and (ii) uploaded to the assignments tab on Blackboard. Format for response papers: Response papers should be no more than 4 pages in length, using Times New Roman size 12-point font, 1" page margins and 1.5" line spacing. Citations/references should adhere to the APA style guide manual.

- a. Response paper #1: due September 20, 2021
 - b. Response paper #2: due October 18, 2021
 - c. Response paper #3: due November 15, 2021
2. Final Paper (35%). The aim of the final paper is to provide students with the opportunity to broaden and deepen their reading on a topic in the economics of education that is not only central to the course but also relevant to their doctoral studies, and to apply the tools of economic analysis to this topic. In an essay no longer than 15 pages, students will: (i) select an issue or topic in the economics of education that may also be relevant to their doctoral research (e.g., school accountability); (ii) describe in detail the state of knowledge on the selected topic (i.e., review the existing literature) as found in the economics of education literature; (iii) describe the economic concepts and tools applied to this topic in the existing economics of education literature; (iv) propose a complementary or alternative approach to examining this issue through the lens of economic analysis; and (v) analyze the issue using the tools of economic analysis.

Final papers are due on December 6, 2021 by 4:00 p.m., and must be (i) emailed to the instructor at msteinb6@gmu.edu and (ii) uploaded to the assignments tab on Blackboard. Format for final paper: Final papers should be no more than 15 pages in length, using Times New Roman size 12-point font, 1" page margins and 1.5" line spacing. Citations/references should adhere to the APA style guide manual.

By October 18, please email the instructor a description of the topic you plan to examine in the final paper and why this topic is of interest. The description should be no longer than 1-2 paragraphs in length.

3. Final Paper Presentation (15%). Students will each present their final paper to the class in a final presentation. Student will present their work on either November 29 or December 6 (the final class meeting). Students will have 20-25 minutes each to present their final paper. Presentations should be prepared in Microsoft PowerPoint.
4. In-Class Discussion/Participation (20% of grade). The success of any doctoral course depends on the active, engaged and persistent engagement of all members of the class. As a seminar, this course requires that students complete all readings prior to class and are prepared to substantively and actively participate in class discussions. Each student's discussion/participation grade is based on attendance and participation in all scheduled class meetings. Students should be prepared to offer comments, questions and/or observations about each of the scheduled and assigned readings. All students should be prepared to relate the readings to select economic concepts and their own perspectives and professional experiences. During each class session, at least one student will be asked to lead discussions based on the class readings.

Grading:

This course is graded on the Graduate Regular scale (see: <http://catalog.gmu.edu/policies/academic/grading/>). Cumulative points corresponding to each grade are as follows:

A+ 97-100	A- 90-92	B 83-86	C 70-79
A 93-96	B+ 87-89	B- 80-82	F ≤ 69

Professional Dispositions

See <https://cehd.gmu.edu/students/policies-procedures/>

Core Values Commitment

The College of Education and Human Development is committed to collaboration, ethical leadership, innovation, research-based practice, and social justice. Students are expected to adhere to these principles: <http://cehd.gmu.edu/values/>.

GMU Policies and Resources for Students

Policies

- Students must adhere to the guidelines of the Mason Honor Code (see <https://catalog.gmu.edu/policies/honor-code-system/>).
- Students must follow the university policy for Responsible Use of Computing (see <http://universitypolicy.gmu.edu/policies/responsible-use-of-computing/>).
- Students are responsible for the content of university communications sent to their Mason email account and are required to activate their account and check it regularly. All

communication from the university, college, school, and program will be sent to students **solely** through their Mason email account.

- Students with disabilities who seek accommodations in a course must be registered with George Mason University Disability Services. Approved accommodations will begin at the time the written letter from Disability Services is received by the instructor (see <https://ds.gmu.edu/>).
- Students must silence all sound emitting devices during class unless otherwise authorized by the instructor.

Campus Resources

- Support for submission of assignments to Tk20 should be directed to tk20help@gmu.edu or <https://cehd.gmu.edu/aero/tk20>. Questions or concerns regarding use of Blackboard should be directed to <http://coursesupport.gmu.edu/>.
- For information on student support resources on campus, see <https://ctfe.gmu.edu/teaching/student-support-resources-on-campus>

For additional information on the College of Education and Human Development, please visit our website <https://cehd.gmu.edu/students/> .

CLASS SCHEDULE

Dates and topics are tentative. The instructor will notify students of any changes to the class schedule prior to each session. Readings and assignments for each topic are listed below and should be completed prior to the class in which the topic is discussed. * indicates suggested (though not required) readings.

AUGUST 23 (Session 1)

Topic: Introduction to the Course

Readings for this class:

- No readings

Assignments for this class:

- No assignments due
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AUGUST 30 (Session 2)

Topic: Economics and Education Research

Readings for this class:

- Lovenheim & Turner: Chapters 1 & 3
 - Cook, T.D. (2001). Sciencephobia: Why education researchers reject randomized experiments. *Education Next*, 1(3), 63-68.
 - *McPherson, M. (2019). An economist's take on education. *Education Next*, 19(3), 79-80.
 - * Whitehurst, G.J. (2011). The federal role in education research: Providing relevant information to students, parents, and educators. Brookings Institution: <https://www.brookings.edu/testimonies/the-federal-role-in-education-research-providing-relevant-information-to-students-parents-and-educators/>
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SEPTEMBER 13 (Session 3)

Topic: Government's Role in Education and Human Capital Theory

Readings for this class:

- Lovenheim & Turner: Chapters 2 & 4
 - Friedman, M. "The Role of Government in Education," in *Capitalism and Freedom*, 85-107.
 - Ashenfelter, O. & Krueger, A. (1994). Estimates of the economic return to schooling from a sample of twins. *The American Economic Review*, 84(5), 1157-1173.
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SEPTEMBER 20 (Session 4)

Topic: Educational Production

Readings for this class:

- Lovenheim & Turner: Chapter 7
- Goldhaber, D. (2016). In schools, teacher quality matters most. *Education Next*, 16(2), 56-62.
- Monk, D.H. (1989). The education production function: Its evolving role in policy analysis. *Educational Evaluation and Policy Analysis*, 11(1), 31-45.
- Schanzenbach, D.W. (2006/2007). What have researchers learned from Project STAR? *Brookings Papers on Education Policy*, No. 9, 205-228.
- * Hanushek, E. (1986). The economics of schooling: Production and efficiency in public schools. *Journal of Economic Literature*, 24(3), 1141-1177.
- * Krueger, A. (1999). Experimental estimates of education production functions. *Quarterly Journal of Economics*, 114(2), 497-532.

Assignments for this class:

- Response Paper #1 Due

SEPTEMBER 27 (Session 5)

Topic: Education Finance – Equity, Adequacy and Efficiency in School Funding

Readings for this class:

- Lovenheim & Turner: Chapter 8
- Chingos, M. & Blagg, K. (2017). Do poor kids get their fair share of school funding? Urban Institute. Report retrieved at: https://www.urban.org/sites/default/files/publication/90586/school_funding_brief_1.pdf
- Hanushek, E. & Rivkin, S. (1997). Understanding the twentieth century growth in U.S. school spending. *Journal of Human Resources*, 32(1), 35-68.
- Ladd, H. (2008). Reflections on equity, adequacy, and weighted student funding. *Education Finance and Policy*, 3(4), 402-423.
- Hoxby, C. (1996). Are equity and efficiency in school finance substitutes or complements? *Journal of Economic Perspectives*, 10(4).
- * Reschovsky, A., & Imazeki, J. (2001). Achieving educational adequacy through school finance reform. *Journal of Education Finance*, 26(4), 373-396.

OCTOBER 4 (Session 6)

Topic: Education Finance – Does Money Matter?

Readings for this class:

- Lovenheim & Turner: Chapter 9
 - Jackson, K., Johnson, R., & Persico, C. (2015). Boosting educational attainment and adult earnings. *Education Next*, 15(4), 69-76.
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- Jepsen, C. & Rivkin, S. (2009). Class size reduction and student achievement: The potential tradeoff between teacher quality and class size. *Journal of Human Resources*, 44(1), 223-250.
- Lafortune, J., Rothstein, J., & Schanzenbach, D. (2018). School finance reform and the distribution of student achievement. *American Economic Journal: Applied Economics*, 19(2), 1-26.
- * Kreisman, D. & Steinberg, M. (2019). The effect of increased funding on student achievement: Evidence from Texas's small district adjustment. *Journal of Public Economics*, 176, 118-141.

OCTOBER 11 – NO CLASS

OCTOBER 18 (Session 7)

Topic: School Choice – The Political Economy of Schooling

Readings for this class:

- Lovenheim & Turner: Chapter 10
- Friedman, M. "Selling Schooling like Groceries," in New York Times Magazine, September 23, 1973.
- Ladd, H. (2002). School vouchers: A critical view. *Journal of Economic Perspectives*, 16(4), 3-24.
- Neal, D. (2002). How vouchers could change the market for education. *Journal of Economic Perspectives*, 16(4), 25-44.
- Schanzenbach, D., Mumford, M., & Bauer, L. (2016). Who has access to charter schools? The Hamilton Project. Retrieved from: https://www.hamiltonproject.org/assets/files/who_has_access_to_charters.pdf
- Angrist, J.D., Dynarski, S.M., Kane, T.J., Pathak, P.A., & Walters, C.R. (2012). Who benefits from KIPP? *Journal of Policy Analysis and Management*, 31(4), 837-860.
- * Abdulkadiroglu, A., Angrist, J.D., Dynarski, S.M., Kane, T.J., & Pathak, P.A. (2011). Accountability and flexibility in public schools: Evidence from Boston's charters and pilots. *The Quarterly Journal of Economics*, 126(2), 699-748.
- * Dobbie, W., & Fryer, R.G. (2011). Are high-quality schools enough to increase achievement among the poor? Evidence from the Harlem Children's Zone. *American Economic Journal: Applied Economics*, 3(3), 158-187.

Assignments for this class:

- Response Paper #2 Due
- Description of final paper topic due

OCTOBER 25 (Session 8)

Topic: Test-Based Accountability

Readings for this class:

- Lovenheim & Turner: Chapter 11
 - Dee, T., & Jacob, B. (2011). The impact of No Child Left Behind on student achievement. *Journal of Policy Analysis and Management*, 30(3), 418-446.
 - Figlio, D. & Loeb, S. (2011). School Accountability. In Eric A. Hanushek, Stephen Machin, and Ludger Woessmann, editor: *Handbooks in Economics*, Vol. 3, The Netherlands: North Holland; pp. 383-421.
 - Jacob, B. (2003). High Stakes in Chicago. *Education Next*, 3(1), pp. 66-72.
 - Neal, D. & Schanzenbach, D. (2010). Left behind by design: Proficiency counts and test-based accountability. *Review of Economics and Statistics*, 92(2), 263-283.
 - * Rockoff, J., & Turner, L. (2010). Short-run impacts of accountability on school quality. *American Economic Journal: Economic Policy*, 2(4), 119-147.
 - * Kane, T.J., & Staiger, D.O. (2002). The promise and pitfalls of using imprecise school accountability measures. *Journal of Economic Perspectives*, 16(4), 91-114.
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NOVEMBER 1 (Session 9)

Topic: Teacher Labor Markets: Measuring & Evaluating Educator Quality

Readings for this class:

- Lovenheim & Turner: Chapter 12
 - Flowers, A. (July 20, 2015). The science of grading teachers gets high marks. *FiveThirtyEight*. Retrieved from: <https://fivethirtyeight.com/features/the-science-of-grading-teachers-gets-high-marks/>
 - Murnane, R. & Steele, J. (2007). What is the Problem? The Challenge of Providing Effective Teachers for all Children. *The Future of Children*, 17(1), pp. 15-43.
 - Steinberg, M. & Garrett, R. (2016). Classroom composition and measured teacher performance: What do teacher observation scores really measure? *Educational Evaluation and Policy Analysis*, 38(2), 293-317.
 - Temin, P. (2003). Low Pay, Low Quality. *Education Next*, 3(3), pp. 8-13.
 - * Rothstein, J. (June 12, 2014). Taking on teacher tenure backfires: California ruling on teacher tenure is not the whole picture [Editorial]. *The New York Times*.
 - * Sartain, L., & Steinberg, M. (2016). Teachers' labor market responses to performance evaluation reform: Experimental evidence from Chicago public schools. *Journal of Human Resources*, 51(3), 615-655.
 - * Dee, T. & Wyckoff, J. (2015). Incentives, selection, and teacher performance: Evidence from IMPACT. *Journal of Policy Analysis and Management*, 34(2), 267-297.
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NOVEMBER 8 (Session 10)

Topic: Teacher Labor Markets: Mobility, School Context and Student Outcomes

Readings for this class:

- Papay, J., & Kraft, M. (2014). Can professional environments in schools promote teacher development? Explaining heterogeneity in returns to teaching experience. *Educational Evaluation and Policy Analysis*, 36(4), 476-500.
 - Steinberg, M. & Sartain, L. (2015). Does teacher evaluation improve school performance? Experimental evidence from Chicago's Excellence in Teaching Project. *Education Finance and Policy*, 10(4), 535- 572.
 - Miller, A. (2013). Principal turnover and student achievement. *Economics of Education Review*, 36, 60-72.
 - Atteberry, A., Loeb, S., & Wyckoff, J. (2017). Teacher churning: Reassignment rates and implications for student achievement. *Educational Evaluation and Policy Analysis*, 39(1), 3-30.
 - * Chetty, R., Friedman, J., & Rockoff, J. (2014). Measuring the impacts of teachers II: Teacher value-added and student outcomes in adulthood. *American Economic Review*, 104(9), 2633-2679.
 - * Taylor, E., & Tyler, J. (2012). The effect of evaluation on teacher performance. *American Economic Review*, 102(7), 3628-3651.
 - * Glazerman, S., Mayer, D., & Decker, P. (2006). Alternative routes to teaching: The impacts of Teach for America on student achievement and other outcomes. *Journal of Policy Analysis and Management*, 25(1), 75-96.
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NOVEMBER 15 (Session 11)

Topic: Educational Externalities (“Spillovers”)

Readings for this class:

- Dee, T. (2004). Are there civic returns to education? *Journal of Public Economics*, 88(9-10), 1697-1720.
- Hoxby, C. (2002). The power of peers: How does the makeup of a classroom influence achievement? *Education Next*, 2(2), 57-63.
- Imberman, S., Kugler, A., & Sacerdote, B. (2012). Katrina's children: Evidence on the structure of peer effects from hurricane evacuees. *American Economics Review*, 102(5), 2048-2082.
- Steinberg, M., & MacDonald, J. (2019). The effects of closing urban schools on students' academic and behavioral outcomes: Evidence from Philadelphia. *Economics of Education Review*, 69, 25-60.

Assignments for this class:

- Response Paper #3 Due
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NOVEMBER 22 (Session 12)

Topic: Equity, Access and Returns to Higher Education Markets

Readings for this class:

- Lovenheim & Turner: Chapters 13 & 15
 - Avery, C., & Turner, S. (2012). Student loans: Do college students borrow too much – or not enough? *The Journal of Economics Perspectives*, 26(1), 165-192.
 - Barrow, L., & Malamud, O. (2015). Is college a worthwhile investment? *Annual Review of Economics*, 7, 519-555.
 - * Page, L.C., & Scott-Clayton, J. (2016). Improving college access in the United States: Barriers and policy responses. *Economics of Education Review*, 51, 4-22.
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NOVEMBER 29 (Session 13)

Topic: Final Student Presentations

DECEMBER 6 (Session 14)

Topic: Final Student Presentations

Assignments for this class:

- Final Paper Due
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