

**EC 485: Economics of Education**

Updated 8/26/2020

**Instructor**

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**Course description**

This course provides students with an overview of the economic theory and empirical research in the field of education, including topics on the returns to education, school finance, school choice, test-based accountability, teacher quality, and college access and financial aid. The aim of the course is to provide students with a broad understanding of the economic issues in education, to inform students of current research to evaluate various education policies, and to enable students to construct cogent and effective arguments on education policy.

For each topic, we will examine the relevant economic theory – who are the agents, what are their incentives, what costs do they face, how do they act on the margin – and describe the predicted outcomes. We will then investigate empirical research on the topic, with an emphasis on identifying causal effects, and assess the assumptions and validity of the science. Finally, we will learn what the science has concluded and compare it with what we predicted.

Pre-requisites: EC 301 or EC 251H and completion of a Tier I writing requirement

Credit Hours: 3

**Course objectives**

After completion of this course, students will be able to:

- Describe key concepts and results in the economics of education literature
- Interpret data using common empirical strategies
- Critically analyze the validity of empirical results
- Construct and defend education policy using theory and data

## **Class format and lecture schedule**

Each week, I will provide three types of course material that students are responsible for engaging with: required readings, pre-recorded lectures on Mondays, and “live” class sessions on Wednesdays.

### *Required readings*

In an effort to reduce the amount of time students need to spend listening to lectures and increase students’ exposure to a diverse array of perspectives, I will assign textbook chapters, news articles, op-eds, and policy briefs for students to read throughout the week. These materials will provide information necessary for students to understand the lectures and complete their assignments, and they should be thought of as foundational, not supplemental. Lectures will not repeat the information covered in required readings, and it is unlikely students will perform well on their assignments and exams without reading the material.

The textbook for this course is *Economics of Education*, 1<sup>st</sup> Edition, by Michael Lovenheim and Sarah Turner (ISBN: 9780716777045). I will post all other required readings on D2L.

### *Pre-recorded lectures*

We will not meet as a class on Mondays. Instead, I will post pre-recorded lectures on D2L that students should watch before Wednesday’s class. I will try to post lectures before noon on Monday so students have an opportunity to watch the lectures and ask questions about the new material during my office hours. It is unlikely that students will be able to participate in the live class session or complete their writing assignments without watching the pre-recorded lectures in advance.

### *Live class sessions*

I will host class each Wednesday from 3pm to 4:20pm ET via Zoom. These meetings will include additional lecture material and class-wide discussions. Discussions are an important component of learning, as they facilitate peer teaching and help me identify areas where students are struggling. Students are expected to complete the required readings and pre-recorded lectures before sessions on Wednesdays. Attendance is not mandatory, but students will receive participation points for attending and contributing to the discussion (see Course grade components – Participation below). If you anticipate needing to miss the live class sessions regularly, please let me know as soon as possible so we can make alternative arrangements.

## **Technology policies**

The following policies apply for pre-recorded lectures, live class sessions on Zoom, blog posts, and office hours. If you anticipate having trouble following these policies, please let me know me as soon as possible so we can discuss appropriate remedies.

### *Zoom etiquette*

1. Video: I ask that you keep your camera on during live class sessions whenever possible. An important part of college is interacting with your classmates, and it is easier to participate in a class discussion when you can see everyone involved. This is not a requirement, and I will not penalize any student who chooses not to use their camera.
2. Display name: Please ensure that your Zoom display name contains your first and last (family) name. If you would like to go by a different name, you are welcome to use that instead. You may also specify your preferred pronouns in your display name.
3. Background: I understand that many of us are restricted in where we can sit when participating in Zoom calls. I do not expect that you will always have a distraction- or interruption-free environment, but please do your best to keep distractions to a minimum. In addition, you should ensure that your background does not contain any offensive or derogatory language, images, symbols, etc. You will be asked to turn off your camera if this is the case.
4. Audio: Please keep your microphone muted whenever you are not speaking.

### *Privacy*

All class sessions will be recorded and posted on D2L for students who are unable to attend live. You may not share any portion of a video or another student's posts on D2L in any form outside of our course's D2L page. Any external sharing of visual, audio, or written material involving another student may violate Family and Educational Rights and Privacy Act (FERPA) guidelines.

## **Course grade components**

Students will receive grades based on their performance in four broad categories: exams, writing assignments, problem sets, and participation. The table below shows the weight I will assign to each component.

| Assignment          | Weight |
|---------------------|--------|
| Final exam          | 25%    |
| Mid-term exam       | 20%    |
| Writing assignments | 30%    |
| Problem sets        | 15%    |
| Participation       | 10%    |

### *Exams*

This course will have two exams, a mid-term on Wednesday, October 21, and a final on Monday, December 14. I will post both exams at 3pm ET on D2L, and students will have two hours to submit their answers on D2L. Exams will not be proctored, but any academic dishonesty will automatically result in a failing grade for the assignment.

For reasons that can be anticipated (e.g., university-sponsored events, religious observances, significant time-zone differences), an alternative midterm exam time will be set for a time before the scheduled exam. Notice must be given in writing at least one week before the scheduled exam. No make-up midterm exams will be provided after the original scheduled exam for reasons that can be anticipated.

For reasons that cannot be anticipated (e.g., sickness, family emergency), a make-up midterm exam will be provided in a timely fashion. Verifiable documentation must be provided for reasons that cannot be anticipated (e.g., doctor's note, travel receipt). No make-up midterm exams will be provided after the exam date without documentation.

Per Academic Programs – General Information, Policies, Procedures and Regulations, A student who does not turn in a final examination without a satisfactory explanation will receive a grade of 0.0 on the numerical system, NC on the CR-NC system, or N in the case of a course authorized for grading on the P-N system. Students unable to take a final examination because of illness or other reason over which they have no control should notify the associate deans of their colleges immediately.

### *Writing assignments*

Seven times throughout the semester, students will write a professional-quality opinion piece (blog post) discussing a policy or event related to a course topic. The blog posts will be due approximately every other Monday at noon on D2L (see the course schedule at the end of the syllabus for exact dates). Late submissions will be penalized by 10 points per day, beginning at 12:01pm ET on Monday. A rubric for grading the blog posts is available on D2L, and I will drop the student's lowest blog post grade. Given the subject matter, evaluation, and variety of writing assignments, these blog posts satisfy the Tier II writing requirements in the College of Social Science.

### *Problem sets*

Many of the economic concepts and theories in this class are best learned through practice and repetition. To this end, I will assign short problem sets throughout the semester. Completed problem sets should be turned in to D2L by 3pm ET on the Monday or Wednesday following their assignment (see the course schedule at the end of the syllabus for exact dates). I will review the answers during the next class session, so late submissions cannot be accepted. I will drop the student's lowest problem set grade.

### *Participation*

Class sessions on Wednesdays will largely be discussion based where students will share their opinions and perspectives on the readings and theories from earlier in the week. A student's participation grade will be based on their overall contribution to the class discussions. Students unable to attend the class session on Wednesday may receive participation points by posting substantive comments on three blogs pertaining to the material discussed in the missed class session, which will typically be available a week following the missed class session. Your comments are due within a week of the blog

post's due date. A rubric for evaluating your contribution in class discussions and comments on blog posts is available on D2L.

## Final grade distribution

To calculate a student's course grade, I will multiply their grade for each grade component by the component's weight. The student's grade on a 4-point scale will be determined according to the thresholds stated below.

| Minimum grade required | 4-point course grade |
|------------------------|----------------------|
| 90%                    | 4.0                  |
| 85%                    | 3.5                  |
| 80%                    | 3.0                  |
| 75%                    | 2.5                  |
| 70%                    | 2.0                  |
| 65%                    | 1.5                  |
| 60%                    | 1.0                  |

## Accommodations for students with disabilities

Michigan State University is committed to providing equal opportunity for participation in all programs, services and activities. Requests for accommodations by persons with disabilities may be made by contacting the Resource Center for Persons with Disabilities at 517-884-RCPD or on the web at [rcpd.msu.edu](http://rcpd.msu.edu). Once your eligibility for an accommodation has been determined, you will be issued a verified individual services accommodation ("VISA") form. Please present this form to me at the start of the term and/or two weeks prior to the accommodation date (e.g., exam date). I may not be able to honor requests received after this date.

## COVID-19 accommodations and assistance

Many of us are navigating extraordinary and difficult situations due to the pandemic. If at any point you feel like you are unable to meet the expectations for the class, please feel free to reach out to me so we can make the appropriate accommodations. Alternatively, you may contact any of the following University resources, and they can provide you with assistance and options for the semester: your academic adviser for general concerns with maintaining your current schedule, Technology at MSU (<https://tech.msu.edu/support/help>) for technological assistance, MSU Health Services at Olin (<https://olin.msu.edu/>) and Counseling & Psychiatric Services (<https://caps.msu.edu>) for physical and mental health needs, Student Affairs and Services (<https://studentaffairs.msu.edu>) for financial assistance, and MSU Food Bank (<https://foodbank.msu.edu>) for food assistance.

## Academic dishonesty policy

Per General Student Regulation 1.00, Protection of Scholarship and Grades, no student shall:

- 1.01 claim or submit the academic work of another as one's own.
- 1.02 procure, provide, accept or use any materials containing questions or answers to any examination or assignment without proper authorization.
- 1.03 complete or attempt to complete any assignment or examination for another individual without proper authorization.
- 1.04 allow any examination or assignment to be completed for oneself, in part or in total, by another without proper authorization.
- 1.05 alter, tamper with, appropriate, destroy or otherwise interfere with the research, resources, or other academic work of another person.
- 1.06 fabricate or falsify data or results.

Any student found in violation of this policy will automatically receive a failing grade for the relevant assignment. Additional grade penalties, up to and including failure of the course, may be assessed depending on the severity of the action. Furthermore, in accordance with University policy, I must submit an Academic Dishonesty Report to the student, the student's dean, and the Dean of Undergraduate studies. An Academic Dishonesty Report will remain on a student's academic record unless the student successfully grieves the allegation, the instructor filing the report requests it be removed, or upon conferral of the student's degree if only one report has been filed, the student has successfully completed the required course on academic integrity, and no additional sanctions were requested by the instructor.

## Course schedule

The table contains a tentative course schedule. Topics and assignments are subject to change.

| Date            | Topic  | Lecture      | Assignments |
|-----------------|--|--------------|-------------|
| Wednesday, 9/2  | Course introduction  | Live         |             |
| Monday, 9/7     | Causal inference   | Pre-recorded | PS 1 due    |
| Wednesday, 9/9  | None   | None         | PS 2 due    |
| Monday, 9/14    | Human capital and signaling                                  | Pre-recorded | Blog 1 due  |
| Wednesday, 9/16 | Private versus social returns to schooling. What is optimal? | Live         | PS 3 due    |
| Monday, 9/21    | Empirical evidence on the returns to schooling               | Pre-recorded |             |
| Wednesday, 9/23 | Human capital and signaling, revisited                       | Live         |             |
| Monday, 9/28    | Education production function                                | Pre-recorded | Blog 2 due  |

|                  |  |              |            |
|------------------|--|--------------|------------|
| Wednesday, 9/30  | School versus home environment   | Live         | PS 4 due   |
| Monday, 10/5     | School finance in the U.S.   | Pre-recorded | Blog 3 due |
| Wednesday, 10/7  | Equity concerns in U.S. school finance                                     | Live         | PS 5 due   |
| Monday, 10/12    | Does money matter?   | Pre-recorded |            |
| Wednesday, 10/14 | Hanushek versus Jackson, Johnson & Persico                                 | Live         |            |
| Monday, 10/19    | Class size   | Pre-recorded | Blog 4 due |
| Wednesday, 10/21 | <b>Mid-term exam, 3-5pm ET</b>   | None         |            |
| Monday, 10/26    | School choice in the U.S.  | Pre-recorded |            |
| Wednesday, 10/28 | Are primary and secondary schools in a competitive market? Should they be? | Live         | PS 6 due   |
| Monday, 11/2     | Test-based accountability  | Pre-recorded |            |
| Wednesday, 11/4  | Incentives versus constraints: which matter more?                          | Live         |            |
| Monday, 11/9     | Teacher “quality”  | Pre-recorded | Blog 5 due |
| Wednesday, 11/11 | Are teacher value-added measures the whole story?                          | Live         | PS 7 due   |
| Monday, 11/16    | Teacher labor markets  | Pre-recorded |            |
| Wednesday, 11/18 | Teacher incentive pay  | Live         | PS 8 due   |
| Monday, 11/23    | Higher education in the U.S.   | Pre-recorded | Blog 6 due |
| Wednesday, 11/25 | College choice   | Live         |            |
| Monday, 11/30    | Financial aid and college access   | Pre-recorded |            |
| Wednesday, 12/2  | The free college debate  | Live         | PS 9 due   |
| Monday, 12/7     | College student labor supply   | Pre-recorded | Blog 7 due |
| Wednesday, 12/9  | Semester review  | Live         |            |
| Monday, 12/14    | <b>Final exam, 3-5pm ET</b>  |              |            |

Note: All contents of the syllabus are subject to change; however, notice will be given to the class and an updated syllabus will be posted on D2L.