Lecture period:  Semester 1 (September–December 2018).

Lecturers:

• Luc Behaghel (LB), luc.behaghel(at)psemail.eu
• Julien Grenet (JG), julien.grenet(at)psemail.eu
• Marc Gurgand (MG), marc.gurgand(at)psemail.eu

Language of the course:  English.

Practical Information

Course timetable:  There will be 36 hours of lectures, split into 12 3-hour sessions, on Friday 13:30–16:30.

Course website:  https://teaching.parisschoolofeconomics.eu/

Description

This course provides an introduction to the economic analysis (both theoretical and empirical) of the investment in and provision of education.
The theoretical background that explains individual and public investment in education is reviewed and linked to empirical evidence. One important application is the analysis of the returns to education both at the micro and macro level. The course will also analyze the production and provision of education. Examples are the importance of inputs such as teachers and class size, the role of incentives, the analysis of peer effects and the role of student assignment mechanisms and of affirmative action policies.

Each course will consist of a general introduction by the instructors, followed by two presentation of papers by students (chosen among starred papers).

Prerequisites

Econometrics 1 & 2, Micro-Economics

Grading

Based on presentations (25%) and an exam (75%).

A webpage to register for presentations will be open at: https://www.wejoinin.com/sheets/vvfk.

Please register by groups of 2 or 3 (depending on class attendance) and tell us by mail which paper you choose (when the choice is open). At most 4 days before your presentation, send by email the paper you will be presenting to the rest of the class (including the instructor), so that everybody works on the same version.
Course Outline and References

1. Human Capital Theory (MG, September 14)

Core


Additional reading


2. Returns to Schooling, Micro & Macro (MG, September 21)

Core


Additional reading


3. Early Interventions (LB, September 28)

Core


Additional reading


* García, J., J. Heckman, D. Leaf, and M. Prados (2017); “Quantifying the Life-cycle Benefits of a Prototypical Early Childhood Program,” NBER Working Paper No. 23479


4. Incentives (LB, October 5)

Core


Additional reading


Bandiera, O. and V. Larcinese and I. Rasul (2009) Blissful Ignorance? Evidence From a Natural Experiment on The Effect of Individual Feedback on Performance, manuscript.


5. Class Size and Resources (LB, October 12)

Core


**Additional reading**


6. Teacher Quality and Teacher-Related Policies (JG, October 26)

Core


Additional reading


7. Demand for Education and Liquidity Constraints (MG, November 9)

Core


Additional reading


– Attanasio O. and Kaufmann K., ”Educational choices, subjective expectations and credit constraints”, NBER working paper 15087, June 2009.


8. Public provision, School Choice & Vouchers (MG, November 16)

Core


Additional reading


Core


Additional reading


10. School Choice and Matching Mechanisms: Applications (JG, November 30)

Core


Additional reading


11. Affirmative Action in Higher Education (JG, December 7)

Core


Additional reading


12. Peer Effects (LB, December 14)

Core


**Additional reading**


Sojourner, Aaron. 2008. Inference on peer effects with missing peer data: Evidence from Project STAR, manuscript, Department of Economics, Northwestern University, Evanston, IL.