Economics of Higher Education (Econ7470/ILR7470)
Spring 2014
(MW 2:55-4:10pm, Ives 109)

This course surveys the empirical literature on the economics of higher education. Students are assumed to have backgrounds in graduate microeconomic theory and econometrics. During each class the professor and the students will discuss several papers in detail. The goal is to provide students with an up to date treatment of where the literature is, to hone their skills as empirical economists and their ability to do independent research, and to suggest “under researched” areas that they may pursue.

All journal articles are available electronically on the Blackboard site or from the Cornell library website. All the articles in Section I should be read before the first class; we will discuss which articles to read in each of the subsequent sections before they occur in the syllabus.

A tentative class time schedule is attached on the last page. Please note that a number of regularly scheduled classes are cancelled and replaced by evening classes on other days (these dates are indicated in bold). Occasional guests will join us by videoconference when we are discussing their work. Course requirements include active participation in class, periodically leading class discussion on specific papers, and at least beginning an empirical research paper.

I. Introduction: Introductory Comments, Higher Education in the United States, Models of University Behavior, Overview of the Course


John Bound et. al. “Playing the Admissions Game: Student Responses to Increased College Competition”, *Journal of Economic Perspectives* (Fall 2009): 119-146


**II. Access, Enrollment and Completion**

**A. Does College Quality Matter?**


**B. Private vs. Social Returns to Education**


**C. Historically Black Colleges and Universities (HBCUs)**


D. **Public Policies and Access - Veterans’, Social Security Programs, EITC Programs**


E. **Public Policy and Access - Basic Educational Opportunity Grants**


F. **Public Policies and Access – State Programs**


Christopher Cornwell, Kyung Hee Lee and David Mustard, “Student Response to Merit Scholarship Retention Rules”, *Journal of Human Resources* (Fall 2005): 895-917


Thomas J. Kane, “Evaluating the Impact of the DC Tuition Assistance Program”, *Journal of Human Resources* (Summer 2007): 555-82


**G. Public Policy and Access – Information**

Eric Bettinger et al., “The Role of Application Assistance and Information on College Decisions; Results from the H&R Block FAFSA Experiment”, *Quarterly Journal of Economics* (August 2012): 1205-42


Amanda Pallais, “Small Differences that Matter: Mistakes in Applying to College”, *NER Working Paper* 19480 (September 2013)


**H. Where Do They Go: Income, Wealth, State Admission Policies**

Eleanor Dillon and Jeffrey Smith, “The Determinants of Mismatch Between Students and Colleges”, *NER Working Paper* 19286 (August 2013)


Peter Arcidiacono et. al. “University Differences in the Graduation of Minorities in STEM Fields: Evidence From California”, *NER Working Paper* 18799 (February 2013)

I. **Institutional Policies: Access, Persistence and Occupational Choice**


III. **Academic Labor Market Issues**

A. **The Supply of New PhDs: Times to Degree and Completion Rates. Impacts of Federal Financial Aid Policies, Crowding Out of Males and American Citizens**


**B. Faculty Salaries: Productivity, Monopsony Power, Gender Differentials, Turnover, Tenure Probabilities**


**C. Faculty Productivity Over the Life Cycle**


Peter Crosta and Iris Packman, “Faculty Productivity in Supervising Doctoral Students’ Dissertations at Cornell University”, *Economics of Education Review* (February 2005): 55-65

**D. Faculty and Staff Retirement Behavior, the Tenure System and the End of Mandatory Retirement**


Gopi Shah et. al. “Retirement Plan Type and Employee Mobility: The Role of Selection and Incentive Effects”, *NBER Working Paper* 18902 (March 2013)

**E. Changing Faculty Types: Do They Matter?**


**IV. Assorted Higher Education Issues**

**A. For Profit Higher Education**


**B. Does Prestige Matter and How to Influence It**


**C. Influencing Persistence and Achievement: Role Models, Peer Effects, Study Time and Employment While Enrolled**


Florian Hoffman and Philip Oreopoulos, “A Professor Like Me: The Influence of Instructor Gender on College Achievement”, *Journal of Human Resources* 44 (Spring 2009): 479-494


Joshua Price, “The Effects of Instructor Race and Gender on Student Persistence in STEM Fields”, *Economics of Education Review* 29 (December 2010) 901-910

Kevin Rask and Jill Tiefenthaler, “The Role of Grade Sensitivity in Explaining the Gender Imbalance in Undergraduate Economics Programs”, Economics of Education Review (December 2008): 676-687


**D. Endowments and Annual Giving**


**E. Public Higher Education/Higher Education as a System**


Ronald G. Ehrenberg and Christopher L. Smith, “Analyzing the Success of Transitions from 2-Year to 4-Year Institutions within a State” *Economics of Education Review* (February 2004): 11-28


Kevin M. Stange, “Differential Pricing in Undergraduate Education: Effects on Degree Production By Field”, *NBER Working Paper* 19183 (June 2013)
F. Science and the University


G. Higher Education Production Functions: Persistence and Completion Rates


John Bound et. al., “Increasing Time to Baccalaureate Degree in the United States”, Education Finance and Policy (Fall 2012):
H. Athletics

I. Presidents and Trustees
John McCormack, Carol Propper and Sarah Smith, “Herding Cats? Management and University Performance” (mimeo, March 2013)
Economics of Higher Education- Spring 2014
Tentative Class Schedule

Wed. Jan 22 Introduction (I)

Mon. Jan 27 Does College Quality Matter (IIA)
Wed. Jan 29 Double Class Private vs Social Returns (IIB)/HBCUs (IIC)

Mon. Feb 3 Public Policy and Access- Fed Programs (IID, IIE)
Wed. Feb 5 No Class

Mon. Feb 10 Public Policies and Access- State Programs (IIF)- Maria Fitzpatrick ©
Wed. Feb 12 Public Policies and Access- Information (IIG)- Sarah Turner ©

Mon. Feb 17 No Class Feb Break
Wed. Feb 19 Public Policies and Access- Where Do They Go (IIH)

Mon. Feb 24 Institutional Policies (III)
Wed. Feb 26 Supply of New PhDs (IIIA)

Mon. Mar 3 Supply of New PhDs (IIIA) Jeff Groen ©
Wed. Mar 5 For Profit Higher Education (IVA) Stephanie Cellini ©

Mon. Mar 10 Faculty Salaries (IIIB)
Wed. Mar 12 Faculty Productivity Over the Life Cycle Dan Hamermesh ©

Mon. Mar 17 Faculty and Staff Retirement Behavior (IIID)
Wed. Mar 19 Faculty and Staff Retirement Behavior (IIID) Coleen Flaherty Manchester ©

Mon. Mar 24 No Class
Wed. Mar 26 Endowments and Annual Giving (IVD)

Mon. Mar 31 No Class April Break
Wed. Apr 2 No Class April Break

Mon. Apr 7 Does Prestige Matter (IVB) Alex Whalley ©
Wed. Apr 9 Influencing Persistence (IVC) Ben Ost ©

Mon. Apr14 Endowments and Annual Giving (IVD)- Jonathan Meer ©(may be live on 3/26)
Wed. Apr16 Double Class Changing Faculty Types (IIIE) and Public Higher Education (IVE)- David Figlio ©

Mon. Apr21 Public Higher Education (IVE) Kevin Stange ©
Wed. Apr23 Science (IVF)

Mon. Apr28 Higher Education Production Functions (IVG) Doug Webber ©
Wed. Apr30 Double Class Presidents and Trustees (IVI)

Mon. May 5 No Class SUNY Board
Wed. May 7 No Class SUNY Board
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