

**EDUCATION AND GROWTH**  
**Bachelor's Degree in International Studies. UC3M.**  
**Syllabus and Readings**  
**Academic year 2017-2018**

*I.- Introduction*

**1.- International indicators in Education**

Human capital indicators: Gross and Net enrolment rates, Indicators on educational expenditures and the stock of human capital. Human Development Index.

**2.- Education and Economic Growth**

Human capital and economic growth: Is there any causal relationship? Is school quality driving countries' economic growth or is it that richer countries have better education systems?

The role of education in technology adoption, growth, and economic convergence.

*II.-The Demand for Education*

**3.- Education Demand**

Why do some individuals decide to study after finishing compulsory education? Which are the factors explaining the demand for education?

The Human Capital Model and its implications. Education as a Consumption Good. The Signaling Model. Intergenerational transmission of inequality.

Empirical implications of the models. Determinants of individual education investments: socio-economic background and employment perspectives after graduation.

**4.- The Economic Returns to Education**

Are there economic returns to investments in education? Are there too many university graduates (over-education)?

Mincer Earnings Equation. Effects of educational attainment on labor market outcomes. Applications.

*III.- The Production of Education*

**5.- Educational Costs**

Which are the costs of studying?

Educational Costs and Expenditures. Public and Private Expenditure on Education. Educational Costs Functions. Economies of Scale and Scope in Education.

**6.- The Production of Education**

How is school quality measured? Which are the factors explaining school quality? How can we explain the fact that two students with the same number of years of education acquire different levels of human capital? Which is the impact on school quality of increasing class size? Which are the determinants of school dropout?

School inputs and student achievement: definitions and measures. International measures. The Determinants of School Quality. Impact of Coleman Report. Education Production functions and estimates using the Value Added Model.

Effects on quality of education of public spending, class size, peer-group effects, teachers' quality, school quality, tracking policies, etc.

#### *IV.- The Financing of Education*

##### **7.- The Financing of Compulsory Education**

Reasons for state intervention in education: compulsory, free and publicly produce education.

State and Local funding of publicly provided education. School vouchers: models and experiments. Publicly financed Private Education. Equity and Efficiency. School choice issues. Which are the effects of different school systems and school choice programs on equality of opportunity?

##### **8.- The Financing of Higher Education**

How may an increase in university fees affect equity and efficiency in higher education?

Fees, scholarships, loans and taxes. International experiences across OECD countries. The Financing of Public Universities.

This syllabus can be found in Aula Global as well as problem sets and class notes on different topics of the course.

**Course evaluation:** 100% of final grade will come from continuous assessment, as follows:

- 40% of final grade: class presentations by students on the papers/topics proposed by the lecturer for this purpose. The final assignment of papers to students is decided by the lecturer, taking into account students' preferences and an adequate balance of the different topics in the course. In order to make this assignment, students should state their most preferred paper in the way indicated by the lecturer. If the lecturer does not hear from the student by the date and in the way indicated by the lecturer, the student will not be graded in this part of the course. Further information and material about this will be provided through Aula Global.

- 50% of final grade: two mid-term tests to be done in the lecture class and announced in advance.

- 10% of final grade: attendance to the classes and participation with comments and questions in other students' presentations.

#### Main references:

- Book "Economía de la educación". Editorial Síntesis, Madrid, 2001. M<sup>a</sup> Jesús San Segundo.
- References for each topic will be presented in the lectures along the course, covering some parts of the syllabus not included in the book, and they will be uploaded in Aula Global.

Problem sets: problem sets will be uploaded in Aula Global along the course and problem set solving (voluntary) is very useful for the successful completion of the course.

## **BIBLIOGRAPHY**

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### ARTICLES:

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