



ECON 321 - Education Economics and Policy – Spring 2022
Sabancı University, Faculty of Arts and Social Sciences

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Office/Phone: FASS 1047 / 483 9344
Office Hours: by email appointment

Lectures: Mon : 2:40 pm - 3:30 pm (online)
Thurs : 9:40 am - 11:30 am

Prerequisites: ECON 301 (Econometrics)

Zoom link for online classes:

<https://sabanciuniv.zoom.us/j/96368282810>

Course Overview

Education affects individuals' productivity and earnings in the labor market. At the individual level it is also associated with other outcomes such health investments, risky behavior, quality of life and has a bearing on children through intergenerational investments. At the aggregate level education affects human capital stock, economic growth, income inequality. This course will focus on economic theory and econometric methods to investigate economic issues in education. We will start with the theories of education that either view education as an investment or as a signaling device. We will discuss research on returns to education and heterogeneities in these returns across countries. The nature of education production functions, role of various inputs and long-run implications of education for growth will be covered. Throughout the course we will focus on educational policy issues and the challenge of making causal inferences.

Textbook

Economics of Education, Michael Lovenheim and Sarah Turner, Macmillan Learning, 2018
(see <https://store.macmillanlearning.com/us/digital/intro/ebooks>)

Selected material will be covered from this textbook. Lectures will include additional material not included in this text. Course content, requirements and policies are subject to change at the discretion of the instructor.

Other Required Readings

Additional readings will be assigned throughout the semester around the topics covered in class. There will be in class discussion of these assigned readings. Participation in discussions will be expected.

- Teaching format:
 - The course will be taught in a hybrid format with in-class and online hours as listed above.
 - The online lectures will only be delivered through Zoom while in-class lectures will be simultaneously delivered in class and through Zoom.
 - The online participants should keep their microphones off during the lectures and ask their questions through Zoom chat.
 - All lectures will be recorded and shared on SuCourse+.
- Problem sets will be given to help with the course material but they will not be collected and graded.

Th exams will be in-person, on campus (unless COVID situation mandates alternative measures).

You should attend the synchronous Zoom lectures, recitations, etc. with your SU email account.

Grading

There will be:

- i) a critical review of articles with an empirical content that addresses one of the topics covered in class within the Turkish context (15 %) – The topic will be announced in class. This will be an *individual work* due 6th week of classes, 3 pages maximum, double spaced excluding references (a penalty of 30 points out of 100 apply for each extra page)
- ii) one midterm (45 %) scheduled for the 8th week of classes-during class time
- iii) two data projects that will be done in *groups* (total of 40 %). The students will use real data on the Turkish economy retrieving required data from available resources (such as TUIK web site), analyze the data using statistical software (Stata) and discuss their findings. The topic of analysis will be announced during the course. Group members will evaluate fellow group members' contribution. The dues dates will be 10th and 13th weeks of classes. The text of the submitted papers will be 3 pages maximum, double spaced. The references, tables, figures cannot exceed 3 pages. ((a penalty of 30 points out of 100 apply for each extra page)
- iv) Bonus for in class participation to the discussions, 7 %.

The course grade is solely based on the grading scheme stated on the syllabus. There will be no exceptions to this (like doing additional assignments).

Rules of Conduct

The definition for scholastic dishonesty is given in the rules and regulations of the Sabancı University. In the case of scholastic dishonesty, no credits will be given for that particular work. Cheating during written work will result in an F for the course. All incidents of scholastic dishonesty will be reported to FASS for disciplinary action..

Make-up exams are granted only in case of a valid and documented reason. If you are granted a make up the exam will take place after the final exams, it will be cumulative and typically harder than the other exams.

In case of an illness, the student is required to produce a formal doctor's note from a hospital. (A doctor's note taken from a doctor's private practice does not count as formal.) In case of private hospitals, the doctor's note has to be verified by the university health service. The doctor's notes should be submitted within two weeks following the midterm date.

Absence in exams without any valid documented reason will result in a zero from that exam.

You are responsible from all material covered during the class which will include material not covered by the text book. Therefore, students are strongly encouraged to attend the classes.

Course Outline

Outline is tentative and subject to revision. Additional reading will be assigned throughout the term.

Topic 1 - Introduction to economics of education

Topic 2 - Empirical tools of education economics

Topic 3 – The human capital model

Topic 5 - The signaling model

Topic 6 - The economic and non-economic returns to education

Topic 7 - Education production functions

Topic 8 - Human capital, economic growth, inequality

Other selected topics on education