## 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

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reviewed and linked to empirical evidence. One important application is the analysis of the returns to education both at the micro and macro level.

Finally the course will analyze the production and provision of education. Examples are the importance of inputs such as teachers and class size, the role of incentives and the analysis of peer effects.

Each course will consist of a general introduction by the instructors, followed by presentation of papers by students (*taken from starred papers*).

Slides will be posted on the PSE courses website: http://www.parisschoolofeconomics.info/ under “M2” and “Labor and Public Economics” Field.

**Prerequisites**

Econometrics 1 & 2, Micro-Economics

**Grading**

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

A Doodle to register for presentations will be open from October 18. Please register by groups of 2 or 3 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.**
1 (MG-Oct 18) Human capital theory

Core


Additional reading


Early interventions (+1 or 2 presentations)

Core


Additional reading


pages 190-224, July. “The Effect of Expansions in Maternity Leave Coverage on Childrens Long-Term Outcomes”

3 (MG-Nov 8) Returns to schooling (+1 presentation)

Core


Additional reading


4 (MG-Nov 15) Demand for education and liquidity constraints (+1 presentation)

Core


Additional reading


• *Attanasio O. and Kaufmann K., "Educational choices, subjective expectations and credit constraints", NBER working paper 15087, June 2009.


5 (MG-Nov 22 & 29) Public provision, School choice & Vouchers (+ 2 presentations)

Core


**Additional reading**


6 (LB-Dec 6 & 13) Peer effects (+2 presentations)

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.


7 (MG-Dec 20) Economic growth and externalities (+ 1 presentation)

Core


Additional reading


8 (LB-Jan 10) Class size and resources (+1 presentation)

Core


Additional reading


9 (LB-Jan 17) Incentives (+1 presentation)

Core


Additional reading


10 (LB-Jan 24) Teacher quality and teacher labor markets (+1 presentation)

Core


Additional reading


