Welcome to my class! The purpose of this course is to provide students with a grounding in how economists think about a variety of important issues in higher education. We will explore the basic economic foundations of individual decision-making and discuss the ways in which economists hypothesize that individuals respond to the incentives embedded within social policies. We will pay particular attention to the nature and detail of higher education as it exists in the United States, and use economic analysis to predict how these policies might influence educational outcomes and behavior. This class is an introduction to the theoretical and empirical tools of economic policy analysis, and we will read and discuss scholarly articles written by Ph.D. economists for Ph.D. economists. I hope that by the end of the course students will understand the logic behind the theoretical frameworks economists bring to their analyses of higher education issues. You need not be convinced that these frameworks are the only ones that could be applied to program analysis. But you should understand them sufficiently to be able to begin to analyze a higher education issue in the way that an economist would.

Rather than teaching classes on an economic subject-by-subject basis, I will introduce economic concepts through the context of specific questions in higher education. The classes will be a combination of lecture and discussion. While the language of professional economics is mathematics, I will teach this class with the least amount of mathematics possible, focusing instead on the intuition behind the economic reasoning.

Reading economics journal articles: A central focus of our class involves the interpretation of empirical evidence to determine the degree to which maintained hypotheses and economic reasoning turn out to be valid. Therefore, as mentioned above, we’ll read papers by Ph.D. economists for Ph.D. economists. I don’t expect you to absorb every detail of the papers we read – that would usually require advanced graduate work to do. But you should plan to spend at least 20 minutes reading each paper, and you should come away from each paper with a sense of how to answer the following questions:

1. What is the specific research question being addressed, or the hypothesis being tested?

2. What are the methods that the authors are using to address the research question? (I want you to be able to verbally, not mathematically, explain this.)

3. What do the authors do to convince the reader that their causal claims are valid?

4. What data do the authors use to address their research questions?
Course grades

Course grades will be based on (1) a midterm exam (20%) and a cumulative final exam (25%); (2) a group proposal paper due at the beginning of class on May 29 (35%); (3) your group proposal presentation on either May 29 or June 3 (15%); and (4) quality of contributions to class discussion (5%).

Note that if you score better on the final exam than on the midterm exam, the weight of the midterm exam on your course grade will fall to 10% and the weight of the final exam on your course grade will increase to 35%.

Exams: The exams will be essay-based, cumulative, and open-notes (you may bring up to three sheets of paper -- front and back -- of notes that you prepare yourself.) The midterm exam will be held during the class period on Wednesday, May 8, and the final exam will be held during the Registrar-scheduled final exam time (June 12, 3-5pm).

Group proposal paper and presentation: A large fraction of your course grade (50%) will be based on a group project in which you will propose some innovation to Northwestern University and use economic arguments to describe the potential benefits and costs of such a proposal. You will be expected to describe the possible evidence you would need to know in order to address the benefits and costs of your proposal, and to identify and discuss the available empirical evidence elements of the benefits and costs of your proposal. The innovation to Northwestern could be on any subject you desire – from curricular to residential life to admissions to financial aid, and do on. Your grade is based only on the thoughtfulness of your analysis – its workability at Northwestern is not a determinant of your grade (though it would of course be wonderful if you came up with terrific innovative ideas for helping Northwestern get better!)

The paper need not be long – 10-15 pages might be enough – but it needs to be long enough to clearly describe your proposal, describe a variety of benefits and costs (if you can’t think of at least a few costs, you’re not thinking hard enough, because nothing is “free”) of your proposal, and describe the types of empirical evidence you’d expect that the President, Provost, Dean, or Vice President (as the case warrants) would want to know before acting on your proposal. The paper is due at the beginning of class on May 29.

The presentation will be 30 minutes long. You should prepare a 15 minute summary of the key elements of your proposal and the remainder will be Q+A with the rest of the class. I expect the rest of the class to be engaged in the discussion of the proposals.

Each member of the group will privately evaluate the other group members’ contributions to the paper and presentation. Free riders will not get good grades on this assignment.

You will have two intermediate assignments: On April 17 you’ll owe me a simple one paragraph summary of your idea for your proposal. This need not be fleshed out, but will give me a chance to give you feedback if I think that you need to focus or dramatically rethink your idea.
On May 6 you’ll owe me a one-page summary of your idea for your proposal. This will include a first draft of bulleted lists of benefits and costs, from an economic perspective, and some thoughts about the types of empirical evidence you’d require to evaluate the benefits and costs of your proposal. This won’t be your final thinking – but is a way to make sure that you’re on the right track here.

The TAs (Sherry and Will) will be helping to push you to think through your proposals. But remember: Your proposal and paper is your work, and not theirs!

Quality of contributions to class discussion

Please talk in class. Please also be respectful to your classmates by allowing everyone a chance to speak; listening respectfully and actively; criticizing ideas but not individuals; committing to learning rather than debating; avoiding blame, speculation, and inflammatory language; and avoiding assumptions about others, especially based on their perceived social group.

Accessibility

Any student requesting accommodations related to a disability or other condition is required to register with AccessibleNU (accessiblenu@northwestern.edu; 847-467-5530) and provide me with an accommodation notification from AccessibleNU, preferably within the first two weeks of class. All information will remain confidential.

Course schedule and readings

Mon April 1: What do universities do?

Wed April 3: Conversation with Professor and President Morton Schapiro

Mon April 8: The university’s “optimization problem”

Wed April 10: How should we measure higher education “quality”?  


Mon April 15: Inequality and inefficiency in higher education enrollment


Wed April 17: **Economics of financial aid and student debt: Theory**

One paragraph summary of proposal idea due

Mon April 22: NO LECTURE – meet with TAs to discuss projects during class time

Wed April 24: **Economics of financial aid and student debt: Evidence**


Mon April 29: **College completion**


Wed May 1: NO LECTURE – Meet with TAs to discuss projects during class time

Mon May 6: **Matching students and colleges**

One-page summary of proposal due


Wed May 8: **Midterm examination**

Mon May 13: **Peer effects in higher education**


Wed May 15: **Staffing the higher education classroom**


Mon May 20: **Face-to-face vs. online education**


Wed May 22: **Big-time sports in American universities**


Wed May 29: **Class presentation of proposals; proposal paper due**  
**Provost Jonathan Holloway, Vice Provost Jake Julia, and Associate Vice President for Organizational Strategy and Change Marianna Kepka participate in class**

Mon June 3: **Class presentations of proposals**  
**Vice President for Student Affairs Patricia Telles-Irvin (tentative), Vice Provost Jake Julia, and Associate Vice President for Organizational Strategy and Change Marianna Kepka participate in class**

**Final examination** as scheduled by Registrar (June 12, 3-5pm)