Hamilton College  
Spring 2012  
Economics of Higher Education  
Economics 415

Instructor: Stephen Wu  
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Office Hours: Mondays 2-4pm, Wednesdays 9-11am

Course Description:
This course will study issues in the economics of higher education. Topics will include the financing of higher education, determinants of tuition costs, trends in admissions policies, determinants of academic success at college, and the economic returns to higher education. The course will relate these issues to current debates in the economics of higher education, including affirmative action, early admissions, and the rising cost of college.

Requirements:
I expect students to come to all class meetings and to be on time. There is no textbook for the class, so readings will mainly be comprised of academic journal articles. I may also supplement this with some contemporary news stories and policy briefs. Please have the assigned reading finished prior to the class period that we will be discussing it. Failure to have readings done by that class period will make discussion less beneficial to you, and to the class as a whole. You will have one midterm exam, one final exam, two papers and several empirical lab assignments. Each of you will also be responsible for giving an oral presentation on one of the articles. I will give details about the papers, lab assignments and presentations as we go through the semester. Grades will be determined by a combination of these factors.

Two books (recommended, but not required to purchase)
We will be reading parts of two books. I am recommending that you purchase these, but not requiring you to buy them because I am only requiring you to read portions of each book. The Game of Life, by Shulman and Bowen and The Early Admissions Game, by Avery, Fairbanks and Zeckhauser are both available on Amazon or other websites for purchase. These books are not very expensive (depending on new or used, roughly $5-20 each). You can find free preview versions of each book on Google Books (though you will not be able to download/print, and a few isolated pages will not be available) if you prefer not to buy the books. I have not ordered these books through the bookstore, but will leave you to find them on your own.

Students with Disabilities:
Hamilton College will make reasonable accommodations for students with properly documented disabilities. If you are eligible to receive an accommodation(s) and would like to make a formal request for this course, please discuss it with me and allow two weeks’ notice. You will need to provide Allen Harrison, Associate Dean of Students (Elihu Root House; ext. 4021) with appropriate documentation of your disability. I request that any student with a documented disability needing academic adjustments or accommodations speak with me during the first two weeks of class. All discussions will remain confidential.

Grading:
Homework, Participation 10%  
Presentation 15%  
Paper 15%  
Labs 15%  
Midterms 30% total (15% each)  
Final Exam 15%

Paper: Due Tuesday, May 1  
Midterm Exam I: Thursday March 1 (in class)  
Midterm Exam II: Thursday April 19 (in class)  
Final Exam: Wednesday May 9 (2pm)
Course Outline:

Introduction to General Issues in Higher Education

1/17: Winston (1999)
1/19: Rothschild and White (1995)

Economics and Financing of Higher Education

1/26: Alumni Giving; Clotfelter (2003), Holmes (2009)
1/31: Financial Aid Policies; McPherson and Shapiro (1991)
2/2: Guest speaker: Karen Leach, VP for Finance at Hamilton College

College Admissions

2/7: Trends in Admission, Selectivity, Admission Policies; Hoxby (2009)
2/14: Optional SATs; Robinson and Monks (2005), Conlin and Dickert-Conlin (2010)
2/16: Guest speaker: Monica Inzer, Dean of Admission at Hamilton College
2/21: Athletics; Shulman and Bowen (2001) “The Game of Life” (Chapters 1,2,7,12)
2/23: Early Admissions; Avery, Fairbanks, and Zeckhauser (2003) “The Early Admissions Game” (Intro, Chap 1)
2/28: Early Admissions; Avery and Levin (2010)

3/1: Midterm Exam I

3/6: Guest speakers: Richard Tantillo, VP of Communications and Development and John Murphy, Director of Annual Giving at Hamilton College
3/27: Affirmative Action; Fryer, Loury, and Youret (2010);

Determinants of College Performance

4/3: Pre-Matriculation characteristics; Betts and Morrell (1999)
4/5: Cohn et al. (2004); Jensen and Wu (2010)
4/10: Instructor characteristics; Carrell and West (2010)
4/12: Carrell, Page and West (2010); Peer Effects; Winston and Zimmerman (2003)

4/19: Midterm Exam II

Returns to Higher Education

4/24: Returns to Higher Education, Community Colleges; Kane and Rouse (1999)
4/26: Returns to Elite Colleges; Dale and Krueger (1998)

Faculty Issues

5/1: Resource Allocation; Johnson and Turner (2009)
5/3: The Economics of Tenure; McPherson and Schapiro (1999)