Overview and goals
In this course, we will examine the higher education sector through several different lenses. The two primary goals of the course are to (1) familiarize students with many features of the U.S. higher education landscape and related policies, and (2) provide students with the analytic tools to evaluate higher education policy. Policy aims we will explore include access, persistence, affordability, and accountability. Specific policy areas include financial aid, affirmative action, state and federal support, regulation of the for-profit sector, community college transfer policies, mentoring and coaching initiatives, and many others. Our primary analytic tools will be microeconomic and statistical analysis. We will use the concepts and tools of causal inference extensively.

Prerequisites
There are no official prerequisites for this course, but PP555 (Microeconomics) and PP529 (Statistics) are highly recommended. Completion of or simultaneous enrollment in PP639 (Program Evaluation) would also greatly enhance what you will get out of the course and is also strongly recommended.

Course Requirements
• Class participation (20%): This is a discussion-based course, so you are expected to attend class regularly, to have done the assigned readings prior to class, and come prepared to discuss. Unexcused absences will count towards your participation grade. As part of the participation grade, each student will be responsible for bringing a higher education policy or topic from the news to discuss at the beginning of class at least once during the semester. The student in charge will simply provide a summary of the policy or issue and initiate the discussion by telling us what they think about it. For instance, “I saw an article in the New York Times this morning that describes how Florida is holding the tuition for engineering students low while letting it increase for other majors. I think this is a good idea because …. But it could have the unintended consequence of ….”

• Policy memo (20%): Students will write a 3-5 page memo evaluating a particular higher education policy used to influence access or student success (e.g. expanding Pell eligibility, increasing state support for community colleges, implementing a merit-based grant program, etc). You will be expected to summarize the evidence and rationale for and against a particular policy based on the readings done in class, but not on any additional research. You should conclude with a recommendation to a policy-maker. An example will be provided.
• **In-class midterm exam (25%)**: An exam approximately halfway through the semester will cover all material discussed and presented in the class up to that point. It will consist of short-answer questions related to the readings and questions related to interpretation of data presented in the exam.

• **Final presentation and paper (35% Total, 10% for presentation and 25% for paper)**: In groups of two, you will craft an original quantitative analysis of data on a particular higher education policy or subject. You will not be expected to do an extensive review of existing literature on the subject, but instead will focus on conducting the quantitative analysis, presenting the results, and describing the limitations of your analysis. I will work with you to refine your research question, find data, and interpret what you are finding. If you have a strong aversion to quantitative analysis, you may instead do a longer (~10 page) analysis of a specific policy in which you summarize the theory and empirical evidence (for and against) the subject and make a recommendation. This will require you to do some research on your own. Regardless of which type of project you do, you will present your analysis to the class at the end of the semester.

**Course materials**
There is one required text: *Crossing the Finish Line: Completing College at America's Public Universities* by William G. Bowen, Matthew M. Chingos, and Michael S. McPherson. Princeton Univ Press (2009). Other readings consist of journal, news, and policy articles that will be available through Ctools.

**Writing Support**
I will be available to speak with you about your policy memos and papers during office hours (by appointment) throughout the semester. In addition, all students are encouraged to meet with one of the Ford School writing instructors: Beth Chimera (bchimera@umich.edu), David Morse (morsedl@umich.edu), and Alex Ralph (ralpha@umich.edu). They are excellent resources and are available to talk with students about various aspects of the writing process and to read and comment on rough drafts.
List of topics (subject to adjustments):
The course is structured in four parts: (1) overview, theory, background, and rationale; (2) access and student success; (3) accountability, performance measurement, and competition; and (4) high-level policy reform.

<table>
<thead>
<tr>
<th>Week</th>
<th>Dates</th>
<th>Topic</th>
<th>Assignments</th>
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<tbody>
<tr>
<td>1.</td>
<td>9/2-9/4</td>
<td>Introduction and overview. Human capital theory vs. signaling.</td>
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<td>2.</td>
<td>9/9-9/11</td>
<td>Rationale: social vs. private returns. Trends in access &amp; affordability; credit constraints</td>
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<td>3.</td>
<td>9/16-9/18</td>
<td>Financial aid.</td>
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<td>5.</td>
<td>9/30-10/2</td>
<td>Admissions and affirmative action. Trends in completion, remediation.</td>
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<td>6.</td>
<td>10/7-10/9</td>
<td>Policies to improve persistence and completion. Review of access and persistence</td>
<td>Policy memo due Tues 10/7</td>
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<td>7.</td>
<td>10/16</td>
<td>Midterm</td>
<td>In-class midterm Thurs 10/16</td>
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<td>8.</td>
<td>10/21-10/23</td>
<td>Learning in college, sports and other consumption amenities</td>
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<td>9.</td>
<td>10/28-10/30</td>
<td>Performance measurement and accountability, in-class paper discussions</td>
<td>Final paper topic due Fri 10/31</td>
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<td>10.</td>
<td>11/4-11/6</td>
<td>Rankings, Market competition</td>
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<td>11.</td>
<td>11/11-11/13</td>
<td>For-profit sector, On-line education</td>
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<td>12.</td>
<td>11/18-11/20</td>
<td>Workforce needs, High-level reform</td>
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<td>13.</td>
<td>11/25</td>
<td>One-on-one meetings to discuss papers</td>
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<td>14.</td>
<td>12/2-12/4</td>
<td>In-class presentations</td>
<td>Presentation due</td>
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<tr>
<td>15.</td>
<td>12/9</td>
<td>Wrap-up</td>
<td>Final paper due Mon 12/15</td>
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Readings (subject to revision). The readings consist of four types: (1) rigorous (typically empirical) academic papers; (2) descriptive papers; (3) policy reports; and (4) news articles meant to simulate discussion. Readings marked with an “*” are required. They are listed in the order I suggest you read them (if you cannot read them all!). The others are optional, though we will discuss some of them. I erred on the side of including more rather than fewer optional readings, particularly seminal papers, so that you would have them for reference and for your papers. You are only responsible for the required ones and the topics discussed in class.

Before each class, I will post guiding questions about the readings to the Forum tool on ctools. I list a few questions that you should come prepared to answer and discuss about the readings and a few more general ones. You don't need to write up or turn anything in (but you may find this helpful to do); just be prepared to speak. Also make sure to bring the readings (hard copy or electronic) to class, as we will reference them. As for reading strategy, for the more technical papers a good strategy is to read the abstract, intro, results, conclusions, tables/figures first and see how many of the questions you can answer. Then go back and try to understand it a little bit better. Before each class, I will post several questions to ctools about each reading and some overall, cross-cutting questions that you should come prepared to answer and discuss. Some of these questions will have "right" answers (e.g. "What population does a given paper study?") while many others will not ("Do you find their identification strategy convincing?").

Detailed Schedule and Reading List
(* = required)

PART I: BACKGROUND, THEORY, RATIONALE

Tuesday, September 2, Class 1: Introduction to course and overview of the issues


Thursday, September 4, Class 2: Human capital theory and basic trends


Tuesday, September 9, Class 3: Returns to higher education


**PART II: ACCESS AND STUDENT SUCCESS**

**Thursday, September 11, Class 4: Trends in Access and Affordability; Theory on Why Price/Aid May Influence Enrollment; Evidence of Credit Constraints**


* Belley, Philippe, and Lance Lochner. 2007. The changing role of family income and ability in determining educational achievement. *Journal of Human Capital 1*, no. 1:37–89. [All except theory section]


Bailey and Dynarski, educational outcomes by income


Tuesday, September 16, Class 5: Financial Aid I: Need and Merit-based Grants, Tax Credits

* Hansen (1983). "Impact of Student Financial Aid on Access" in Proceedings in the Academy of Political Science: A Crisis in Higher Education. There is lots of good historical background here, which you may find interesting. But you should focus on the analysis, which starts on page 91.


Thursday, September 18, Class 6: Financial Aid II: Loans, Debt Burden


the 2007/08 Loan Limit Increase" GAO-11-470R (May 25, 2011). (Background on recent changes in borrowing limits)


**Tuesday, September 23, Class 7: Financial Aid III: Simplification and Reform**


*Baum, Sandy and Michael McPherson, “Pell Grants vs. Tuition Tax Credits” in *Chronicle of Higher Education* October 28, 2011


**Thursday, September 25, Class 8: Community Colleges**


*Dougherty, K. J., Reid, M., & Nienhusser, H. K. (2006). State policies to achieve the dream in five states: An audit of state policies to aid student access to and success in community colleges in the first five achieving the dream states. New York: Community College Research Center, Teachers College, Columbia University.*


**Tuesday, September 30, Class 9: Admissions and Affirmative Action**


For background:
Gratz v. Bollinger. Supreme Court decision. Only read the “syllabus” (summary) which is uploaded to ctools. You can find the full decision here: [http://www.law.cornell.edu/supct/html/02-516.ZS.html](http://www.law.cornell.edu/supct/html/02-516.ZS.html)

Gutter v. Bollinger. Supreme Court decision. Only read the “syllabus” (summary) which is uploaded to ctools. You can find the full decision here [http://www.law.cornell.edu/supct/html/02-241.ZO.html](http://www.law.cornell.edu/supct/html/02-241.ZO.html)

**Empirical estimates of the effects of affirmative action (and bans)**


**Overview of trends in admissions and some of the issues**

John Bound, Brad Hershbein and Bridget Terry Long, “Playing the Admissions Game: Student Responses to Increasing College Competition”, *Journal of Economic Perspectives* 23 (Fall 2009)


**Recent work on student information problems and application behavior**

Avery and Hoxby – missing one-offs  
Hoxby and Turner – intervention targeting the one-offs

**Recent developments**


**Deep background**


Bowen, William and Derek Bok, 2000. *The Shape of the River: Long-Term Consequences of Considering Race in College and University Admissions*. Princeton University Press.( Chapters 1, 2 and 3


**Thursday, October 2, Class 10: Trends in Completion and Explanations, Remediation**


* Bowen, William, Matthew M. Chingos, and Michael S. McPherson, 2019. Crossing the finish line: completing college at America's public universities , Chapter 3 (pp 32-56)

Hodara and Jaggars, 2012. "Why is it so hard to fix our system of remediation?" (this is just a short blog post).


Tuesday, October 7, Class 11: Policies to Improve Persistence and Completion


Thursday, October 9, Class 12: Review of access and persistence

No new readings

Thursday, October 16, Class 13: In-class midterm exam

PART III: ACCOUNTABILITY, PERFORMANCE MEASUREMENT, AND COMPETITION

Tuesday, October 21, Class 14: Criticisms about learning in college


Thursday, October 23, Class 15: College Sports and Other Consumption Amenities


Tuesday, October 28, Class 16: Performance Measurement and Accountability


*Musick, Marc,2011 Analysis of Efficiency and Graduation Rates at The University of Texas at Austin and Other Public Research Universities in the United States


Thursday, October 30, Class 17: Project Discussion

Today we will discuss your projects. You will present your proposed project (research question, possible data sources, identification strategy) and we will have a few minutes to discuss each one as a class.

Tuesday, November 4, Class 18: Rankings


**Thursday, November 6, Class 19: Market Structure and Competition**


**Tuesday, November 11, Class 20: Rise of the For-Profit Sector**

*Deming, David, Claudia Goldin and Larry Katz “The For-Profit Postsecondary School Sector: Nimble Critters or Agile Predators?” *Journal of Economic Perspectives*

* GAO Report on For-profits
* Sandy Baum & Kathleen Payea, 2011. “Trends in For-Profit Postsecondary Education: Enrollment, Prices, Student Aid and Outcomes”

* New resume audit study papers by Martorel et al and Deming et al

Cellini, Stephanie and Claudia Goldin, 2011. “Comprehensive View of For-Profit Postsecondary Education and the Role of Title IV in Tuition-Setting” working paper.


**Thursday, November 13, Class 21: On-line Education and MOOCs**

Hoxby 2014

Streich 2014

Figlio et al

Others TBD

**Tuesday, November 18, Class 22: Higher Education and Workforce Needs**


* Reamer, Andrew. 2010. *Putting America to Work: The Essential Role of Federal Labor Market Statistics*. Washington, DC: The Brookings Institution. Read the 10-page policy brief. I have also posted the full report, which I don’t suggest you read. However, take a look at the table that starts on page 50 of the full report.

* Altstadt, David, 2011. *Aligning Community Colleges to their Local Labor Markets The Emerging role of Online Job Ads for Providing Real-Time Intelligence About Occupations and Skills in Demand*


**PART IV: COLLEGE FOR ALL AND HIGH-LEVEL REFORM**

**Thursday, November 20, Class 23: High-level Reform and the Spellings Commission**


Bowen, William, Matthew M. Chingos, and Michael S. McPherson, 2019. Crossing the finish line: completing college at America's public universities , Chapter 12 (pp 223-238)

Pathways to Prosperity Project, 2011. Pathways to Prosperity: Meeting the Challenge of Preparing Young Americans for the 21st Century. Harvard Graduate School of Education.

Tuesday, November 25, Class 24: One-on-one meetings to discuss papers and presentations

Tuesday, December 2, Class 25: In-class presentations

Thursday, December 4, Class 26: In-class presentations

Tuesday, December 9, Class 27: Wrap-up

Monday, December 15, Final Paper Due

TOPICS NOT COVERED
There are many other important topics related to public policy and higher education, that we will not have time to cover in depth. These would make excellent topics for papers:

- Returns to college quality
- International comparisons
- Structural issues: how the system is/should be structured
- Major choice and field of study; the underrepresentation of women and minorities in STEM fields
- Research & development; economic spillovers of research universities
- Graduate and professional education
- Labor markets for faculty
- The political economy of higher education
- Advising and coaching in high school