



Public Policy 713

Causal Inference in Education Policy Research II: Postsecondary

Winter 2019 M/W: 10-11:20am

Weill Hall 1220

Professor Susan Dynarski

dynarski@umich.edu

Sign up for office hours:

<https://goo.gl/N6UORh>

Professor Celeste Carruthers

celestca@umich.edu

Sign up for office hours:

<http://bit.ly/2Tx0FZX>

Course Objectives

This course explores methods for causal inference in research on postsecondary education. The focus is on topics relevant to education policy, including student aid, debt, college-match quality, attainment, and the labor-market returns to schooling.

Prerequisites

The course assumes mastery of regression analysis, including fixed effects and limited dependent variables. The course is part of a two-part sequence with Public Policy 712; mastery of the content of that course is also assumed, including regression discontinuity and randomized trials. Facility with a statistical programming language is also assumed.

Course Requirements and Grading

Data Analysis Exercises (3) 30%

You will work singly or with up to two classmates; groups will submit a single product. Problem sets are posted(due) on January 13(27), February 6(20), and March 6(20).

Research Project 30%

As a class, we will initiate a study of the effect of compulsory schooling on high school completion and the transition to college. The class will touch every phase of exploratory research, including project planning, research design, project management, IRB applications, data analysis, and how to effectively communicate results. Graded milestones will be due throughout the term.

Reading Questions 30%

We will post questions about some of the readings, which you will complete before class.

Class Participation 10%

Readings

You are expected to complete the assigned reading before class. There will typically be one or two articles assigned for each class. You must read these closely in order to understand what is going on. Read actively: circle what is unclear, highlight what you find most interesting, peruse the bibliography for useful sources, read the footnotes and tables especially closely. It is very useful to write a summary of the paper for your own files.

Course Material

There is no course packet. All articles are available online or on the CANVAS site. Assignments will be listed under the relevant lecture. We provide links and/or PDFs but you are ultimately responsible for obtaining the readings. If a link is broken or a file corrupted please find the article yourself.

Below is a list of useful references. As needed, we may assign chapters to supplement discussion articles.

Murnane, R., & Willett, J. (2010). *Methods matter: improving causal inference in educational and social science research*. New York, NY: Oxford University Press, USA.

Angrist, J., & Pischke, J. (2009). *Mostly harmless econometrics: An empiricist's companion*. Princeton, NJ: Princeton University Press.

Angrist, J., & Pischke, J. (2014). *Mastering 'Metrics: The Path from Cause to Effect*. Princeton, NJ: Princeton University Press.

Laptop Policy/Taking Notes

To keep us focused on the class and on each other, we will keep laptops and other devices put away. Please bring copies of the relevant papers to class.

We will distribute handouts of our lecture material for you to take notes on. If you want to store all class material on your laptop, transcribing your handwritten notes after lecture is a great way to nail the material. We will post PDFs of the handouts after lecture to facilitate this process.

Software

We will program in Stata, a software program used widely by researchers and policy analysts. You will need Intercooled Stata to use the large datasets we will analyze.

Ford School Inclusivity Statement

Members of the Ford School community represent a rich variety of backgrounds and perspectives. We are committed to providing an atmosphere for learning that respects diversity. While working together to build this community we ask all members to:

- share their unique experiences, values and beliefs
- be open to the views of others
- honor the uniqueness of their colleagues
- appreciate the opportunity that we have to learn from each other in this community
- value one another's opinions and communicate in a respectful manner
- keep confidential discussions that the community has of a personal (or professional) nature
- use this opportunity together to discuss ways in which we can create an inclusive environment in Ford classes and across the UM community

Accommodations for Students with Disabilities: If you believe you need an accommodation for a disability, please let your instructor know at your earliest convenience. Some aspects of courses may be modified to facilitate your participation and progress. As soon as you make your

instructor aware of your needs, they can work with the Services for Students with Disabilities (SSD) office to help determine appropriate academic accommodations. Any information you provide will be treated as private and confidential.

Student Mental Health and Well-Being Resources: The University of Michigan is committed to advancing the mental health and wellbeing of its students. We acknowledge that a variety of issues, such as strained relationships, increased anxiety, alcohol/drug problems, and depression, directly impacts students' academic performance. If you or someone you know is feeling overwhelmed, depressed, and/or in need of support, services are available. For help, contact [Counseling and Psychological Services](#) (CAPS) and/or [University Health Service](#) (UHS). For a listing of other mental health resources available on and off campus, visit: <http://umich.edu/~mhealth/>

Please review additional information and policies regarding academic expectations and resources at the Ford School of Public Policy: <http://fordschool.umich.edu/academics/expectations>

READING LIST

** indicates required reading*

I. Introduction

- **Wednesday, January 9: Trends in Postsecondary Education (Sue lead)**

Trends over time in educational attainment of the US population, 1940-present:

http://nces.ed.gov/programs/digest/2012menu_figures.asp

International comparisons of education levels in *OECD Education at a Glance*:

[http://www.oecd.org/edu/eag2013%20\(eng\)--FINAL%2020%20June%202013.pdf](http://www.oecd.org/edu/eag2013%20(eng)--FINAL%2020%20June%202013.pdf)

National Center for Educational Statistics, U.S. Department of Education. (2013a). Indicator 41, institutional retention and graduation rates for undergraduate students, Chapter 4 postsecondary education. In *The condition of education 2013*. Washington, D.C.: U.S. Department of Education. Retrieved from <https://nces.ed.gov/pubs2013/2013037.pdf> (p182).

National Center for Educational Statistics, U.S. Department of Education. (2013b). Indicator 42. Degrees conferred by public and private institutions, Chapter 4 postsecondary education. In *The condition of education 2013*. Washington, D.C.: U.S. Department of Education. Retrieved from <https://nces.ed.gov/pubs2013/2013037.pdf> (p186).

Bailey, M. & Dynarski, S. (2011). Gains and gaps: changing inequality in U.S. college entry and completion (NBER Working Paper No. 17633). Retrieved from NBER website: <http://www.nber.org/papers/w17633>.

College Board. (2013a). *Education pays*. Retrieved from <http://trends.collegeboard.org/sites/default/files/education-pays-2013-full-report.pdf>.

College Board. (2013b). *Trends in college pricing 2013*. Retrieved from <http://trends.collegeboard.org/sites/default/files/college-pricing-2013-full-report.pdf>.

College Board. (2013c). *Trends in student aid 2013*. Retrieved from <http://trends.collegeboard.org/sites/default/files/student-aid-2013-full-report.pdf>.

Chingos, Matthew, & Dynarski, S. (2015). [How can we track trends in educational attainment by parental income? Hint: Not with the Current Population Survey](#). Brookings Institution.

- **Monday, January 14: Human Capital Model (Sue lead)**

*Borjas, George (2005). “Human Capital,” Chapter 7 in *Labor Economics* (McGraw Hill), pp. 235-79 (in Files on Canvas).

*Oreopoulos, P. (2007). [Do dropouts drop out too soon? Wealth, health and happiness from compulsory schooling](#). *Journal of Public Economics*, 91(11-12), 2213-2229.

II. Returns to Education

- **Wednesday, January 16 (Sue lead)**

*Oreopoulos, P. (2006). [Estimating average and local average treatment effects of education when compulsory schooling laws really matter](#). *American Economic Review*, 96(1), 152-175.

- **Wednesday, January 23 (Celeste lead)**

*Jepsen, C., Mueser, P., & Troske, K. (2016). [Labor market returns to the GED using regression discontinuity analysis](#). *Journal of Political Economy*, 124(3), 621-649.

- **Monday, January 28 (Sue lead)**

*Oreopoulos, Philip and Uros Petronijevic (2013). “[Making College Worth It: A Review of the Returns to Higher Education](#).” *The Future of Children* Volume 23, Number 1, Spring.

*Zimmerman, Seth (2014). “[The Returns to College Admission for Academically Marginal Students](#).” *Journal of Labor Economics* Vol. 32, No. 4 (October), pp. 711-754.

- **Wednesday, January 30 (Celeste lead)**

*Arteaga, Carolina (2017). “[The effect of human capital on earnings: Evidence from a reform at Colombia's top university](#).” *Journal of Public Economics*.

III. Effects of Student Aid: Grants and Tax Benefits

- **Monday, February 4 (Celeste lead)**

*Kane, T. J. (1995). [Rising public college tuition and college entry: How well do public subsidies promote access to college?](#) NBER working paper 5164.

*Page, Lindsay C. and Judith Scott-Clayton, “[Improving college access in the United States: Barriers and policy responses](#),” *Economics of Education Review*, Volume 51, April 2016, Pages 4-22.

Deming, David and Susan Dynarski (2010). “Into College, Out of Poverty? Policies to Increase the Postsecondary Attainment of the Poor,” in eds Phil Levine and David Zimmerman. Available as [NBER working paper 15387](#).

Dynarski, Susan, and Judith Scott-Clayton. “[Financial Aid Policy: Lessons from Research](#).” *The Future of Children* 23, no. 1 (2013): 67-91.

Carruthers, Celeste K. and Jilleah G. Welch. (2018). [Not Whether, but Where? Pell Grants and College Choices](#). Forthcoming, *Journal of Public Economics*.

- **Wednesday, February 6 (Celeste lead)**

*Scott-Clayton, J. (2011). [On money and motivation a quasi-experimental analysis of financial incentives for college achievement](#). *Journal of Human Resources*, 46(3), 614-646.

*Fitzpatrick, M. D., & Jones, D. (2016). [Post-baccalaureate migration and merit-based scholarships](#). *Economics of Education Review*, 54, 155-172.

Sjoquist, D. L., & Winters, J. V. (2015). [State merit aid programs and college major: A focus on STEM](#). *Journal of Labor Economics*, 33(4), 973-1006.

Dynarski, Susan (2003). “[Does Aid Matter? Measuring the Effect of Student Aid on College Attendance](#) .” *American Economic Review* (March).

- **Monday, February 11 (Sue lead)**

*Cohodes, S. R., & Goodman, J. S. (2014). “[Merit aid, college quality, and college completion: Massachusetts' Adams scholarship as an in-kind subsidy.](#)” *American Economic Journal: Applied Economics*, 6(4), 251-285.

- **Wednesday, February 13 (Sue lead)**

*Hoxby, C. M., & Bulman, G. B. (2016). “[The effects of the tax deduction for postsecondary tuition: Implications for structuring tax-based aid.](#)” *Economics of Education Review*, Volume 51, April 2016.

*Dynarski, Susan (2016). “[\\$20 Billion in Tax Credits Fails to Increase College Attendance.](#)” April 19. *New York Times*.

IV. Policies to Reduce Dropout and Increase Graduation Rates

- **Monday, February 18 (Celeste lead)**

*Bartik, T. J., Hershbein, B., & Lachowska, M. (2017). [The effects of the Kalamazoo Promise Scholarship on college enrollment, persistence, and completion.](#)

*Harris, Douglas N., Raquel Farmer-Hinton, Debbie Kim, John Diamond, Tangela Blakely Reavis, Kelly Krupa Riflj, Hilary Lustik, & Bradley Carl. (2018). [The promise of free college \(and its potential pitfalls\).](#) Brown Center on Education Policy at Brookings.

Page, L. C., Iriti, J. E., Lowry, D. J., & Anthony, A. M. (2018). [The Promise of Place-Based Investment in Postsecondary Access and Success: Investigating the Impact of the Pittsburgh Promise.](#) *Education Finance and Policy*, (Just Accepted), 1-60.

Carruthers, C. K., & Fox, W. F. (2016). [Aid for all: College coaching, financial aid, and post-secondary persistence in Tennessee.](#) *Economics of Education Review*, 51, 97-112.

- **Wednesday, February 20 (Sue lead)**

*Scrivener, Susan, Michael J. Weiss, Alyssa Ratledge, Timothy Rudd, Colleen Sommo, and Hannah Fresques (2015). “[Doubling Graduation Rates: Three-Year Effects of CUNY’s](#)

[Accelerated Study in Associate Programs \(ASAP\) for Developmental Education Students.](#)”

Read full report. MDRC.

*Dynarski, Susan (2015). “[How to Improve Graduation Rates at Community Colleges.](#)” March 11. *New York Times*.

- **Monday, February 25 (Sue lead)**

*Summo, Colleen, Dan Cullinan, Michelle Manno, Sean Blake, and Erick Alonzo (2018).

“[Doubling Graduation Rates in a New State: Two-Year Findings from the ASAP Ohio Demonstration.](#)” Read full report. MDRC.

*Dynarski, Susan and Meghan Oster (2016). “[Fulfilling the Promise of Community College: The ASAP Demonstrations.](#)” 2016. Brookings Institution *Evidence Speaks* (December 1).

*Page, Lindsay, Stacy Kehoe, Benjamin Castleman, and Gumilang Sahadewo (2017). “[More than Dollars](#)” *The Journal of Human Resources* (December).

- **Wednesday, February 27 (Celeste lead)**

*Monaghan, D. B., & Attewell, P. (2015). [The community college route to the bachelor’s degree.](#) *Educational Evaluation and Policy Analysis*, 37(1), 70-91.

*Boatman, A., & Soliz, A. (2018). [Statewide Transfer Policies and Community College Student Success.](#) *Education Finance and Policy*, 13(4), 449-483.

IV. Student Debt

- **Monday, March 11 (Sue lead)**

*Akers, Beth and Matthew Chingos (2016). [Game of Loans.](#) Princeton University Press.
Chapters 1-3

*Cellini, Stephanie, and Rajeev Darolia (2017). “[High Costs, Low Resources, and Missing Information: Explaining Student Borrowing in the For-Profit Sector.](#)” *The ANNALS of the American Academy of Political and Social Science*.

- **Wednesday, March 13 (Sue lead)**

*Looney, Adam and Constantine Yannelis (2015). “[A crisis in student loans? How changes in the characteristics of borrowers and in the institutions they attended contributed to rising loan defaults](#).” *Brookings Papers on Economic Activity*.

*Dynarski, Susan (2015). “[New Data Gives Clearer Picture of Student Debt](#).” September 10. *New York Times*.

*Scott-Clayton, Judith. (2018). [The looming student loan default crisis is worse than we thought](#). *Brookings Evidence Speaks Reports*, Vol. 2 No. 34.

- **Monday, March 18 (Celeste lead)**

*Solis, Alex (2017). “[Credit Access and College Enrollment](#).” *Journal of Political Economy*. Vol. 125, No. 2.

*Schoenberger, Chana (2016). “[How to Make College Affordable](#).” *Chicago Booth Review* (Summer).

*Dynarski, Susan (2014). “[What We Mean When We Say Student Debt Is Bad](#).” August 8, 2014. *New York Times*.

- **Wednesday, March 20 (Sue lead)**

*Marx, Benjamin and Lesley Turner (2017). “[Student Loan Nudges: Experimental Evidence on Borrowing](#).” NBER Working paper 24060.

V. Higher Education Funding

- **Monday, March 25 (Celeste lead)**

*[State Higher Education Finance: Fiscal Year 2017](#). State Higher Education Executive Officers Association.

*Mitchell, Michael, Michael Leachman, and Kathleen Masterson (2017). “[A lost decade in higher education funding](#).” Center on Budget and Policy Priorities.

- **Wednesday, March 27 (Celeste lead)**

*Bound, John, Michael F. Lovenheim, and Sarah Turner (2010). “[Why Have College Completion Rates Declined? An Analysis of Changing Student Preparation and Collegiate Resources](#).” *American Economic Journal: Applied Economics*, vol. 2(3), pages 129-157.

- **Monday, April 1 (Celeste lead)**

*Deming, David and David Figlio (2016). “[Accountability in US Education: Applying Lessons from K-12 Experience to Higher Education](#).” *Journal of Economic Perspectives*.

- **Wednesday, April 3**

Kalena Cortes guest lecture

- **Monday, April 8 (Celeste lead)**

*Webber, Douglas (2017). “[State divestment and tuition at public institutions](#).” *Economics of Education Review*, 60

- **Wednesday, April 10 (Sue lead)**

*Deming, David and Christopher Walters (2017). “[The Impact of Price Caps and Spending Cuts on U.S. Postsecondary Attainment](#).” NBER working paper 23736.

VI. Nontraditional Students and Institutions

- **Monday, April 15 (Sue lead)**

*Cellini, Stephanie and Nicholas Turner (2018). “[Gainfully Employed? Assessing the Employment and Earnings of For-Profit College Students Using Administrative Data](#).” *Journal of Human Resources*.

- **Wednesday, April 17 (Celeste lead)**

* Jacobson, L., LaLonde, R., & Sullivan, D. G. (2005). [Estimating the returns to community college schooling for displaced workers](#). *Journal of Econometrics*, 125(1-2), 271-304.

*Belfield, C., & Bailey, T. (2017). [The Labor Market Returns to Sub-Baccalaureate College: A Review](#). A CAPSEE Working Paper. *Center for Analysis of Postsecondary Education and Employment*.

Carruthers, C. K., & Sanford, T. (2018). [Way station or launching pad? Unpacking the returns to adult technical education](#). *Journal of Public Economics*, 165, 146-159.

- **Monday, April 22 (Celeste lead)**

Wrap up