

EENEE: Topics in the Economics of Education (Nov. 2016)

The following list of topics is organized into six areas:

- I. Schools: Institutional Structures
- II. Schools: Equity
- III. Schools: Instruction
- IV. Higher Education
- V. Education and the Labor Market
- VI. Other Topics

I. Schools: Institutional Structures

1. Is School Autonomy Important for Student Achievement?

School autonomy greatly varies among European countries. In addition, some countries have also started to initiate reforms in order to increase their school autonomy, e.g. “friskolor” in Sweden or Academies and Free Schools in the UK. Generally, greater school autonomy is seen as a way to enhance educational standards. This particularly seems to be the case when accountability is somehow warranted. There is now a number of studies about these two countries, and there are lots of studies about charter schools in the US. Results are quite mixed about to what extent autonomy matters. In addition, cross-country evidence suggests differential effects in different settings, including important interactions with accountability and with the level of development.

2. School Assignment Mechanisms

School assignment mechanisms deal with the issue how to allocate students to schools in situations when some schools are oversubscribed. Until recently the literature on school assignment mechanisms was largely theoretical and hardly used in practice. This changed a lot in recent years. More and more local school authorities seek the advice of economists to (re)design existing placement systems. At the same time, empirical studies are emerging that quantify the efficiency/equity tradeoffs of the different mechanisms.

3. School Choice and School Competition

There is now substantial information on choice and competition from the U.S. that might make a good briefing for the EU. This includes both effects on efficiency and on equality of opportunity. In general, what seems to be crucial is institutional context, in particular, the incentive structure of school principals.

4. Effects of Parental Involvement

An emerging literature investigates more deeply the importance of parental involvement for student achievement. One interesting aspect includes the role of information provision to parents, e.g. by text messaging.

5. Examination Systems

Different aspects of the examination systems of school systems such as central vs. local exams, high-stakes vs. low-stakes exams, and grades vs. standardized test scores may have different positive and negative (side) effects for educational outcomes.

6. The Roles and Quality of School Principals

A topic that has recently seen some attention is the role and quality of school leadership, i.e. of principals and the management of schools. This topic is of great interest when trying to understand what makes schools successful. A relevant aspect is the labor market of principals.

II. Schools: Equity

7. Impact of Migration on Educational Outcomes of Natives

Many countries have had inflows of migrants over time and various strategies have been tried to analyze the impact of migrants on the educational outcomes of natives. Often results are found to be small or negligible.

8. The Impact of Parents' Migration on the Children Left Behind

This is a relevant issue in countries where an important part of the labor force works abroad (Eastern Europe). Has parents' migration positive and/or negative consequences for the educational achievement of children left at home? The evidence seems to be far from being conclusive.

9. The Causes and Consequences of School Segregation

What are the driving forces behind school segregation? What role does residential segregation and school choice play? How does school segregation affect student performance? Are some group affected more than others?

10. Remedial Educational Programs

A key concern of academics and policymakers in many advanced nations is the effectiveness of remedial programs in both high school and higher education. Remedial education is

designed to provide students with those competencies and skills that are regarded as necessary to be prepared for their course of study and which students still do not have. There is a growing body of research available that relies on a rigorous methodology used to evaluate the impact of these programs. Overall, there is mixed evidence over the impact of these programs which calls for a careful investigation.

11. Gender Gaps in Mathematics Achievement

Many student assessment studies show that girls achieve lower test scores in mathematics than boys. This is the case in almost all OECD countries (e.g. PISA 2012). What are the reasons for this underperformance and to what extent do gender gaps vary across countries?

12. Identity and Student Performance

Social norms, induced by students' identity, might influence schooling effort and thus performance. This operates at the group level, for instance when an ethnic minority group opposes assimilation attempts and develops negative norms toward education system. At the individual level, certain behavioral norms might be activated in a mixed classroom environment when differences in identities are highlighted (e.g., ethnicity or religion). Interactions between identity, social norms and educational institutions can be thus important in explaining existing performance gaps.

13. Education of Roma Minority in Serbian Primary Schools

The goal of this report is to estimate the education production function (school resources, teacher quality and family characteristics) of the Roma ethnic minority in Serbia in order to understand the determinants of their educational outcomes. The report will combine data on grades from a previous project together with national final examination results from 2015/2016 which takes place in the eighth grade at the end of primary school. The report will help to understand which factors determine success of the Roma ethnic minority in Serbian schools.

III. Schools: Instruction

14. The Supply of Skills to the Teaching Profession

How have the skills of new teachers changed over time? Are skilled teachers more likely to leave the profession? What policies can help to attract and retain skilled teachers?

15. Instruction at the “Right Level”

Recently, there is some discussion about adjusting teaching at the “right level”. The idea is to adapt teaching to the class level rather than to follow a strict curriculum. This may become increasingly important with the influx of lower educated refugees. Two recent papers include Banerjee et al (NBER 2016) and Muralidharan et al (2016).

16. Class Size

Average class sizes differ substantially across school types (primary and secondary schools) and across European countries. People often believe that smaller class sizes allow teachers to concentrate more on the individual student and, at the same time, the teachers have to deal with fewer disruptions. However, there is little empirical evidence of an overall positive effect of class size on student outcomes although some students from disadvantaged backgrounds may benefit. Currently, the empirical literature on the effects of class size is expanding. Results are still not clear cut, either; some studies find substantial effects even for the long run, others find no significant impact. It would be useful to have a report that puts the evidence together and tries to make sense of it.

17. Computers and ICT Use in Schools

An increasing economic literature studies the impacts of computers, the Internet, and software such as computer assisted instruction on students’ educational outcomes. This research sheds light on whether computers and ICT use are important inputs in the educational production process and whether disparities in access will translate into educational inequality. Effects have been studied in the contexts of classroom use in schools and of home use by students. Findings are rather mixed.

18. Peer Effects

The effects of peer composition on student outcomes are an expanding empirical literature. Results are sometimes conflicting. There is a need for a critical review that puts the pieces together.

19. Civics Education

This comes up again and again but we do have a good fix on the economics of it. What are the economic benefits of providing civics education? Should it be part of an enhanced school curriculum or taught outside the school? At what cost?

IV. Higher Education

20. The Impact of Tuition Fees in Higher Education

In these years where the public budgets are under hard financial pressure in most European countries, it is discussed whether introducing (more) tuition fees at universities and other higher education institutions is an option and a way to secure both a high quality and quantity in higher education. However, the critical question that we need to know the answer to is whether higher tuition fees reduce social mobility, increase dropout rates for socially disadvantaged students, and other potential negative or positive effects? And how is the optimal structure for tuition fees?

21. College Major Choice

There is recently an upsurge of research on college and post-graduate education. An important field studies the determinants of field of study choice. Some work looks at the effect of information about future earnings on university student track choice.

22. Gender Segmentation in Educational Choices

In many European countries, the labor market is fairly segmented with respect to gender: Women are enrolled in social educations and humanities and men become engineers etc. The segmented labor markets may be economically inefficient because the intellectual resources of men and women are not used in an optimal way. It has implications for economic inequality. It may also be an important explanation of why so few women end up in powerful positions in the labor market.

23. The Evolution of Returns to College in Europe

What are the trends on college premium in various European countries? What are the underlying factors that generate the trends? How does this evolution affect wage inequality across various student groups? What are the policy implications in regards to higher education funding?

24. Online Education in Higher Education

With the digitalization of society, a number of studies have started to look into the effects of online instruction, MOOCs, and other new technologies in higher education. How these developments will change the scene of the overall higher education system is a widely open question.

V. Education and the Labor Market

25. School-to-Work Transition

The school-to-work transition defined as the period between the end of compulsory schooling and the attainment of full-time, stable employment has recently attracted significant attention in European countries also in light of the high levels of youth unemployment. The evidence related to the effectiveness of the existing programs in advanced economies call for a systematic review.

26. Vocational Education and Labor Market

Growing income inequalities and stagnation of real wages have been partially attributed to a widening mismatch between skills and labor market needs. Vocational education might improve this match and increase social mobility, however, its provision and quality have been a subject of criticism in many European countries. In addition, recent research suggests that the impact of specific vocational skills may change from being an advantage on the labor market into being a disadvantage over the lifecycle of employees. More research is needed on, for instance, how to design an efficient vocational education; how it affects labor market biographies and firm's productivity; the distributional effects of a specialized education; and the role of labor market uncertainty in individuals' schooling decisions.

27. Non-monetary Benefits of Education

One topic that has continuously increased in scope is the interplay of education and non-monetary or social benefits. Crime, health, marriage decisions and income inequality might all be indirectly affected by the level of education both at the individual or the macro level. A report could cover the different aspects of the social returns to education.

28. Education Externalities

This is an old holy grail of economics of education research with scarce and ambivalent findings. It would pay to have a fresh look, especially on possible differential size of externalities by level of education. The policy implications would be fundamental.

VI. Other Topics

29. Research on Early Childhood Education

This report could summarize what is known about the effects of early educational investment on life outcomes. This would essentially be a summary of the work based on Heckman (skills beget skills; earlier investments in (disadvantaged) children yield higher payoffs than later investments). The policy conclusion would most likely be that government

should invest more in early childhood education (in Germany, for instance, in order to abolish pre-school fees).

30. The Effects of Formal Childcare on Later Life Child Outcomes

The early childhood environment plays an important role in shaping later life outcomes (e.g. James J. Heckman, 2013: *Giving kids a fair chance*, MIT Press). At the same time, center-based childcare is expanded in many countries. What are the consequences of attending formal childcare for later life child outcomes?

31. Education and Demographic Change

Most European countries are undergoing a huge demographic change with declining fertility rates, a shrinking population size and an increase in the proportion of elderly. Among others, this massively affects the educational sector. Besides various challenges that this sector will have to face in order to adapt to this ongoing development (reduction of teachers, reduction of schools etc.), education policies, especially the broad provision of childcare, may also assist in alleviating the demographic change.

32. Data Provision Systems to Enhance Evidence-based Policymaking

To provide the evidence base for well-informed policymaking, empirical academic research in education and schooling requires a sound data base. What are the best data provision systems to enhance such empirical research?