

## PhD course: Education, Inequality, and Mobility (2 ECTS)

February 24-26, 2025

Lecturer: Jesse Rothstein, University of California, Berkeley

Danish Graduate Programme in Economics (DGPE)  
TrygFonden's Centre for Child Research

This course is intended for PhD students in economics or related quantitative fields who have an interest in the economics of education, especially teachers, and personnel economics.

Most societies aspire to promoting equal opportunity – all children should have similar chances to succeed, limited only by their efforts and innate abilities. But no society achieves this; in every country, children from higher-income families grow up to be more successful than children from lower-income families. The education system is the most powerful lever we have to equalize opportunity. But it doesn't fully accomplish this, and often actively works against it. This course considers economic and measurement issues related to intergenerational mobility, equality of opportunity, and disparities in educational outcomes. Topics to be considered include school choice, segregation, college admissions, and policy design.

Students are expected to have familiarity with basic econometrics of program evaluation and causal inference, including tools such as difference-in-differences and regression discontinuity.

### *Credits*

In order to receive credits for the course, students should either give a presentation (30 min) within the topics covered by the course (broadly speaking) or submit a research proposal (5-10 pages) no later than 2 weeks after the course has finished.

### *Lecturer*

Professor Jesse Rothstein: <https://jesse-rothstein.com>

### *Topics covered, with potential readings*

#### 1. Intergenerational mobility

- a. Chetty, Raj, Nathaniel Hendren, Patrick Kline, and Emmanuel Saez. 2014. "Where is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States." *The Quarterly Journal of Economics* 129(4), 1553–1623.
- b. Chetty, Raj, Nathaniel Hendren, Patrick Kline, Emmanuel Saez, and Nicholas Turner. 2014. "Is the United States Still a Land of Opportunity? Recent Trends in Intergenerational Mobility." *American Economic Review Papers and Proceedings*, 104(5), 141–147.
- c. Chetty, Raj, David Grusky, Maximilian Hell, Nathaniel Hendren, Robert Manduca, and Jimmy Narang. 2017. "The Fading American Dream: Trends in Absolute Income Mobility Since 1940." *Science* 356, no. 6336 (April 28): 398–406.
- d. Black, Sandra, Paul Devereux, Petter Lundborg, and Kaveh Majlesi. "Poor Little Rich Kids? The Role of Nature versus Nurture in Wealth and Other Economic Outcomes and Behaviors." *Review of Economic Studies* 87(4), July 2020.

- e. Black, Sandra, Paul Devereux, and Kjell Salvanes. (2005). "Why the Apple Doesn't Fall Far: Understanding Intergenerational Transmission of Human Capital." *The American Economic Review*, Vol. 95(1), pages 437-449.
  - f. Rothstein, Jesse. "Inequality of educational opportunity? Schools as mediators of the intergenerational transmission of income." *Journal of Labor Economics* 37, no. S1 (2019): S85-S123.
  - g. Katz, Lawrence F., and Alan B. Krueger. 2017. "Documenting Decline in U.S. Economic Mobility." *Science* 356, no. 6336 (April 28): 382–83.
2. Racial gaps in educational achievement
- a. Chetty, R., Dobbie, W., Goldman, B., Porter, S.R. and Yang, C.S., 2024. "Changing Opportunity: Sociological Mechanisms Underlying Growing Class Gaps and Shrinking Race Gaps in Economic Mobility." NBER working paper w32697, July 2024.
  - b. Hanushek, Eric A., and Steven G. Rivkin. "School quality and the black-white achievement gap." (2006).
  - c. Fryer Jr, Roland G., and Steven D. Levitt. "Understanding the black-white test score gap in the first two years of school." *Review of economics and statistics* 86, no. 2 (2004): 447-464.
  - d. Rothstein, Jesse, and Nathan Wozny. "Permanent income and the black-white test score gap." *Journal of Human Resources* 48, no. 3 (2013): 510-544.
3. School choice
- a. Black, Sandra E. (1999). "Does School Quality Matter? Parental Valuation of Elementary Education." *The Quarterly Journal of Economics*, Vol. 114(2), pages 577-599.
  - b. Abdulkadiroğlu, Atila, Parag A. Pathak, Jonathan Schellenberg, and Christopher R. Walters. "Do parents value school effectiveness?." *American Economic Review* 110, no. 5 (2020): 1502-39.
  - c. Rothstein, Jesse M. "Good principals or good peers? Parental valuation of school characteristics, Tiebout equilibrium, and the incentive effects of competition among jurisdictions." *American Economic Review* 96, no. 4 (2006): 1333-1350.
  - d. Campos, C. and Kearns, C., 2022. The impact of neighborhood school choice: Evidence from Los Angeles' zones of choice. Available at SSRN, 3830628.
  - e. Hoxby, Caroline M. (2000). "Does Competition Among Public Schools Benefit Students and Taxpayers?" *The American Economic Review*, Vol. 90(5), pages 1209-1238.
  - f. Rothstein, Jesse. (2007). "Does Competition Among Public Schools Benefit Students and Taxpayers? Comment." *The American Economic Review*, Vol. 97(5), pages 2026–2037.
  - g. Hoxby, Caroline M. (2007). "Does Competition among Public Schools Benefit Students and Taxpayers? Reply." *The American Economic Review*, Vol. 97(5), pages 2038-2055.
4. Does money matter?
- a. Hanushek, Eric A. (2006). "School Resources," Chapter 14 in *Handbook of the Economics of Education*, vol. 2
  - b. Lafortune, Julien, Jesse Rothstein, and Diane Whitmore Schanzenbach. (2018). "School Finance Reform and the Distribution of Student Achievement." *American Economic Journal: Applied Economics*, Vol. 10(2), pages 1-26.
  - c. Rothstein, J. and Schanzenbach, D.W., 2022. Does money still matter? Attainment and earnings effects of post-1990 school finance reforms. *Journal of Labor Economics*, 40(S1), pp.S141-S178.
  - d. Jackson, C.K. and Mackevicius, C.L., 2024. What impacts can we expect from school spending policy? Evidence from evaluations in the United States. *American Economic Journal: Applied Economics*, 16(1), pp.412-446.
  - e. Martorell, Paco, Kevin Stange, and Isaac McFarlin Jr. (2016). "Investing in Schools: Capital Spending, Facility Conditions, and Student Achievement." *Journal of Public Economics*, Vol. 140, pages 13-29.

5. College quality

- a. S. Dale and A. Krueger. (2002). "Estimating the Payoff to Attending a More Selective College: An Application of Selection on Observables and Unobservables." *The Quarterly Journal of Economics*, Vol. 117(4), pages 1491-1527.
- b. Cohodes, Sarah and Josh Goodman. (2014). "Merit Aid, College Quality, and College Completion: Massachusetts' Adams Scholarship as an In-Kind Subsidy." *American Economic Journal: Applied Economics*, Vol. 6(4), pages 251-285.
- c. Mountjoy, Jack and Brent Hickman. (2021). "The Returns to College(s): Relative Value- Added and Match Effects in Higher Education." Unpublished manuscript. [https://www.dropbox.com/s/gyhfhfqphv1m3eu/Mountjoy\\_Hickman\\_The\\_Returns\\_to\\_Colleges.pdf](https://www.dropbox.com/s/gyhfhfqphv1m3eu/Mountjoy_Hickman_The_Returns_to_Colleges.pdf)
- d. Mountjoy, Jack (2024). "Marginal Returns to Public Universities." Unpublished manuscript. <https://www.dropbox.com/scl/fi/rnzm51nc95s9dy1ygd900/Mountjoy-2024-Marginal>Returns-to-Public-Universities.pdf>
- e. Zimmerman, Seth D. "Elite colleges and upward mobility to top jobs and top incomes." *American Economic Review* 109, no. 1 (2019): 1-47.
- f. Michelman, V., Price, J. and Zimmerman, S.D., 2022. Old boys' clubs and upward mobility among the educational elite. *The Quarterly Journal of Economics*, 137(2), pp.845-909.

6. College admissions

- a. Black, Sandra E., Jeffrey T. Denning, and Jesse Rothstein. "Winners and losers? the effect of gaining and losing access to selective colleges on education and labor market outcomes." *American Economic Journal: Applied Economics* 15, no. 1 (2023): 26-67.
- b. Chetty, Raj, David Deming, and John Friedman. 2023. "Diversifying society's leaders? The determinants and causal effects of admission to highly selective private colleges." Working paper.
- c. Bleemer, Zachary. (2024). "Top percent policies and the return to postsecondary selectivity." Working paper, January.
- d. Zimmerman, Seth D. (2014). "The Returns to College Admission for Academically Marginal Students." *Journal of Labor Economics*, Vol. 32(4), pages 711-754.

*Format and schedule*

This course is comprised of the equivalent to 2 full days of teaching (12 hrs) in addition to preparing readings (20 hrs) and presentations (or the submission of a research proposal after the course) (20 hrs).

Monday, Feb 24 2025	Tuesday, Feb 25 2025	Wednesday, Feb 26 2025
12.00-13.00 arrival and lunch	08.30-10.00 session 2	08.30-10.00 session 5
13.00-14.30 session 1	10.00-10.30 break	10.00-10.30 break
14.30-15.00 break	10.30-12.00 session 3	10.30-12.00 session 6
15.00-16.30 student presentations	12.00-13.00 lunch	12.00- sandwich to go
18.00/30 course dinner	13.00-14.30 student presentations	
	14.30-15.00 break	
	15.00-16.30 session 4	

*Sign up:*

January 24, 2025: Sign up (incl. draft paper for student presentation if interested in this option)