

Written Exam for the B.Sc. or M.Sc. in Economics winter 2015-16

Economics of Education

Re-Exam

February 8, 2016

(3-hour closed book exam)

Please note that the language used in your exam paper must be English.

This exam question consists of 3 pages in total (2 plus this title page).

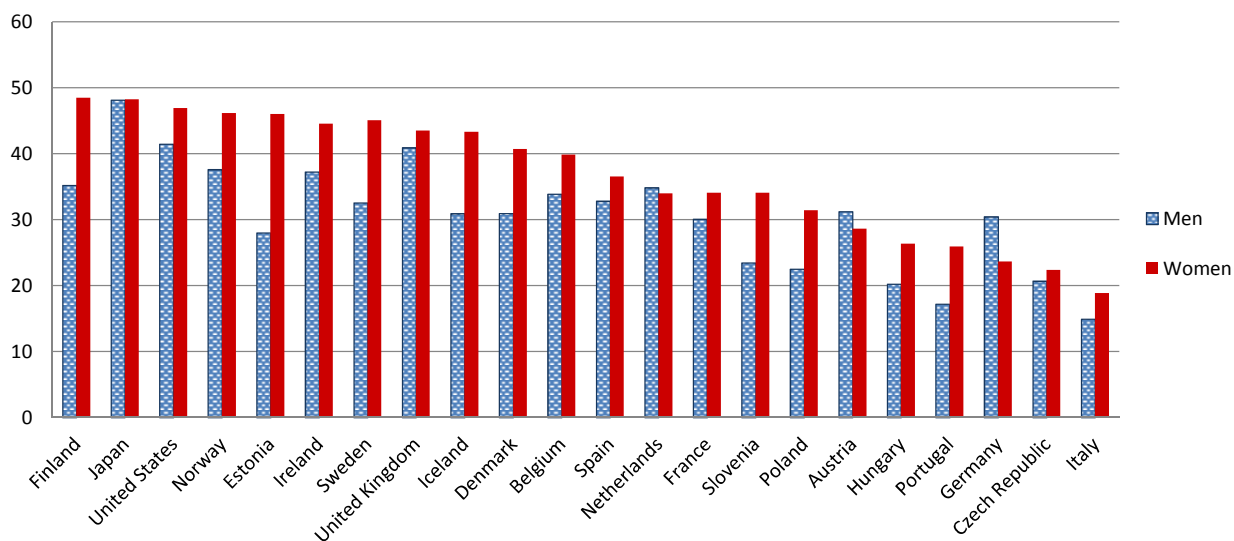
This is the re-exam for Economics of Education, Winter 2015/2016. You have three hours to answer the following five questions. Link the problem at hand to Economics of Education. Your responses should draw on concepts, theories, models, and empirical findings that were covered in class. Apply them where appropriate, and tell the reader why they are relevant, or which parts are not so easily applied. You are free to make any reasonable assumptions that help you in answering, as long as you are specific and explicit. Also draft your responses also with an eye to clarity of exposition and structure.

Read all questions before you begin your work. Make sure to pace yourself. Also, you may choose to work on the questions in a different order, just mark clearly which question you are answering.

Gender Gaps in Educational Attainment

In most developed countries, an interesting reversal has taken place: While previously, men had higher educational attainment than women, on average, today women's educational attainment surpasses that of men — see Figure 1 for the most recently published OECD data.

Figure 1: Share of Population with Tertiary Education, by Gender, in OECD countries



Note: Graph constructed from data in Table A1.1b of “Education at a Glance 2015,” published by the OECD. Depicted is the share of 25-64 year-olds who have completed tertiary education. Tertiary education includes the following sub-categories: Short cycle tertiary, Bachelor’s or equivalent, Master’s or equivalent, and Doctoral or equivalent.

- In Denmark, too, women today have a higher educational attainment than men. Which explanations can the classic human capital models provide for this finding?
 - Think about Yoram Ben-Porath’s classical human capital model. What explanations can this model provide for the fact that Danish women obtain more education than men? List all, and then evaluate the plausibility of the different explanations.

- (b) Which *additional or different* explanations could the model by Gary S. Becker and Nigel Tomes (1986) provide? Discuss both cases/parts they present. Pay attention to (possibly implicit) assumptions in their set-up.
- (c) What would an economist recommend to politicians to do about the educational gap (which puts men at a disadvantage), on the basis of these human capital models? As an economist, think about efficiency.
2. Suppose one economist claimed that the returns to education are lower for boys, and that this is an explanation for the gender gap.
Which methods have been suggested to measure returns to education? What are their advantages/disadvantages? (Make explicit references and give examples.)
3. Suppose parliament decides, after thorough discussion with the public, that inequality in educational outcomes is undesirable for Danish society. They decide to spend a certain sum on boosting boys' educational attainment.
How should the money be spent most effectively? Cite specific papers that tell us what we know to inform our answer.