

TOPIC 2.2.: PUBLIC SPENDING ON EDUCATION

EXERCISE 1

Properly define the following concepts related to social spending and education:

- Merit or social goods.
- In-kind transfers.
- Paternalistic conception of the Public Sector.
- Public provision.
- Public production and private production.
- Theory of human capital in education.
- Theory of education as a filter.
- School performance.
- Peer group effect.

EXERCISE 2

One of the objectives of the university reform is to promote the mobility of students between universities, and there are currently programs in this regard. What kind of measures would be necessary to achieve this goal? Analyze the incentives that should be given to students, how to provide the necessary funds, the need for differentiation in the market between degrees from different universities, etc.

EXERCISE 3

What factors does school performance depend on? Are all of them controllable by the Public Sector and why? Properly justify your answer.

EXERCISE 4

Choose the correct answer for each of the following questions. There is only one correct answer:

- 1) What are the two objectives that public education pursues?
 - a) Internalize external effects and reduce demand.
 - b) Internalize external effects and reduce economic inequality.
 - c) The answers a) and b), both, are correct.
 - d) None of the previous answers is correct.

- 2) The main criticism of the human capital theory about the goodness of investing in people's education is:
 - a) The "credentialist and institutionalist" approach that conceives of education as simple signs of "signaling" productivity.
 - b) The "humanist and generalist" approach that conceives of education as simple signs of "conduct" to determine productivity.
 - c) The answers a) and b), both, are correct.
 - d) None of the previous answers is correct.

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- 3) The main criticism of the selection theory about the goodness of investing in people's education is:
 - a) That there are cheaper filters in the educational system such as pooling exercises.
 - b) That there are cheaper filters in the educational system such as tests.
 - c) The answers a) and b), both, are correct.
 - d) None of the previous answers is correct.

- 4) According to most available empirical studies, to reduce school failure in public non-university education, it is better to:
 - a) Act on the public revenue side.
 - b) Act on the side of rates.
 - c) Activate the "peer effect" and not segregate students by socioeconomic level.
 - d) None of the previous answers is correct.

- 5) According to most available empirical studies, to improve academic results in public university education it is better to:
 - a) Act on the public revenue side.
 - b) Act on the income side.
 - c) Activate competition to attract students and thus attract more public funding.
 - d) None of the previous answers is correct.