Ten Principles of the Economics of Education

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1. There is an equity-efficiency trade-off to almost every education policy
2. Districts, schools, teachers, parents, and students all respond to incentives
3. Ability bias, comparative advantage, and measurement are the three biggest obstacles to reliably making causal inferences about education policies
4. Both the human capital and signaling models are consistent with how the world works
5. Governments often improve outcomes in the market for education
6. Many government policies come with unintended consequences
7. The cost of providing education will continue to rise unless it becomes possible to provide education less labor-intensively
8. Credit constraints and information frictions are the main reasons why education is inefficiently produced in the US
9. Peer effects matter for educational outcomes
10. Test scores are not the whole story, but they're the only output we can reliably and universally measure in the short run

*Based in part on Greg Mankiw's "Ten Principles of Economics"