

PHILOSOPHY, THEOLOGY

# HUMAN CAPITAL FLIGHT

25.08.2022

There is an interesting paper on brain drain [Why does the U.S. have the best research universities? Incentives, resources, and virtuous circles?](#)

A demand for denominational sorting drove the creation of the nine American colonial colleges. For example, Massachusetts Puritans created Harvard to produce what they saw as a theologically sound education ... Connecticut-based Puritans created Yale because they perceived that the Harvard of Massachusetts-based Puritans was too physically distant (in addition to too religiously liberal)

The authors attribute the following U.S. success to “reforms that began after the Civil War and enhanced the incentives and resources the system directs at research” which may be true. Maybe the overall strategy of the paper is questionable, looking at biographies of Nobel prize winners only- nevertheless the trend is clear that German impact is decreasing already in 1920 – while I always thought of an exodus of scientists only after 1933.

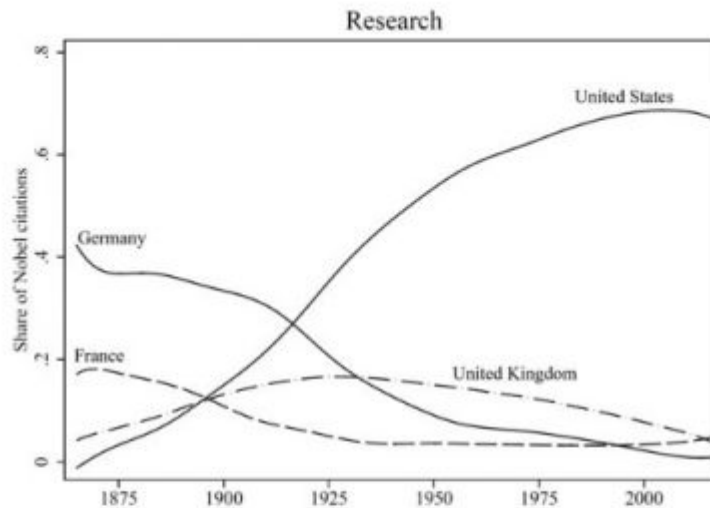


Figure 1: University Nobel Prize Mentions, By Country

This figure describes the frequency with which Nobel winners' biographies mention universities in different countries. Specifically, the dates in the figure refer to the years in which laureates graduated from a given school if they were students there (this accounts for why there are dates for the late 1800s, before the prize was granted). If they were professors, the dates refer to the year of award for the university they were affiliated with at that point, and the year of joining for other schools. The figure plots fitted values of locally weighted regressions of each country's share of total mentions on the year. The data cover the four countries with universities accounting for the most mentions. They do not adjust for income or population because that does not change the two central facts the paper addresses: American universities' initial weakness and later leadership. For such adjustments, see Urquiola (2020).

The U.S. does not spread so much money to various non-university based "Großforschung" organisations and there is much more private sponsoring of U.S. universities, so monies are more concentrated.

Higher salaries, lower teaching, and enhanced laboratory space illustrate some ways in which professors' compensation began to reflect research performance. Furthermore, this period saw the emergence of tenure, a salient reward for performance.

The emergence of tenure seems to be important if you can make your living from your work and do not need to start campaigning like [#IchbinHanna](#) in Germany.