

Azeem Ibrahim: Seeking more private investment is a Nobel cause for universities

Published Date: 20 October 2009

FOR ALL the attention Obama's Nobel Prize got this year, we should not forget that the Nobel Committee doesn't only award the peace prize.

It also awards prizes for economics, literature, medicine and other disciplines. But take a moment to find out who has won them, and you will notice an alarming disparity. In the past 50 years, more Americans have won Nobel Prizes than the rest of the world combined.

Why? There's no rule written into the DNA of nations which says that from generation to generation Americans will be inherently smarter or more innovative.

The answer is that most of these great thinkers come out of universities, and America spends more per head on them than we in Europe do.

Measured at equal purchasing power, America spends over double the amount that Europeans do. It also spends more of its GDP on higher education than Europe: nearly 3 per cent of GDP, compared with Europe's measly 1.3 per cent.

But it doesn't just spend, it gets the results: its universities – which produce these Nobel prizewinners – are the best in the world. The universities which top the various leagues of the best places to study in the world tend to be American. Only two of the universities in Shanghai Jiao Tong University's ranking of world top 20 are in Europe.

The differences between American and European universities are striking. I've spent time at Cambridge and been a research fellow at Harvard, and you don't need a degree from either to be able to see how much better the facilities and resources for study are over the Atlantic.

I'm currently also lucky enough to be spending some time at Yale University on their World Fellows Programme, and it is incredible to see how much investment the university has made. It spends over \$2 million on just 15 people whom it considers to have the potential to be "emerging global leaders" over four months. We have access to the incredible staff they have and the educational resources, and it is clear that a lot of investment has gone into the university. Walking round the facilities, it is hard not to be impressed. But I couldn't help but be struck by the sobering thought that no British university would be likely to have this much money to spend on just 15 people, and foreigners at that.

Yale does it because it understands that in the long run it will benefit them to attract such people and have them affiliated with Yale. They will benefit by reputation and with endowments. We need British universities to start thinking like this.

For too long here, we have believed that the money should come only from the poor put-upon taxpayer. As should be painfully clear, that is insufficient. As is starting to happen, universities need to diversify their sources of income to provide the investment that turns an adequate university into a great one. That means making greater use of alumni contacts, and aggressively looking for philanthropy and endowments.

We must seize the 21st century – the competition has started from countries which understand this. Saudi Arabia has just opened a state-of-the-art university on the eastern shore of the Red Sea, costing billions of dollars, and both Dubai and Qatar are opening campuses of top American universities in the Gulf.

The message is clear: Britain will be left behind unless we start investing in higher education.

- Azeem Ibrahim is a research scholar at the International Security Programme, Kennedy School of Government at Harvard University and a World Fellow at Yale University.