

Dictators, Democracies, and Discoveries: Political Institutions and the Creation of Knowledge

We investigate the role of political institutions in shaping global knowledge production, leveraging a newly assembled comprehensive dataset on universities, scientists, and major discoveries worldwide from 1900 to the present. We find that institutional quality is a key determinant of scientific production. Countries with high-quality institutions not only build larger academic sectors but also produce substantially more research, including frontier research and Nobel Prize-winning discoveries. Event study analyses of sharp improvements or deteriorations in institutional quality confirm that these relationships are driven by changes in institutions rather than by selection or long-run trends. Countries with high-quality institutions also produce more frontier research, conditional on the size of the academic workforce, indicating higher productivity per researcher. Finally, political institutions influence the breadth of inquiry: autocracies channel research into a narrower set of fields, achieving excellence in some areas but lacking the broad exploration of ideas that characterizes democracies.