Universities diffused internet technology in mid-1990s

February 22 2006

Universities played a unique role in the diffusion of Internet technology in the mid-1990s, according to a paper published in the March issue of the *International Journal of Industrial Organization*.

"The Internet, which many people view as the most important technology of the last 15 years, moved from universities to the public in an unusual way," says Avi Goldfarb, a professor at the University of Toronto's Joseph L. Rotman School of Management. He points out that there has been little empirical research on the role of universities in diffusing technology. "Most technologies that are invented in universities move through research journals or through business partnerships. The Internet followed a different pattern, in that students brought it to the public."

Goldfarb analysed data from nearly 105,000 surveys and found that even when controlling for factors like age, industry and tech-savviness, the impact of a mid-1990s university education on Internet use was much higher than for other time periods. The effect is not limited to students from that period, but has been transferred to members of their households, regardless of age. "In other words, universities taught a generation of students to use the Internet and they in turn taught their families."

The effect was especially high for low-income students and even greater among members of their households. Goldfarb's research shows that in low-income households, family members of students who attended

university in the mid-1990s were more than 50 per cent more likely to adopt the Internet than they otherwise would have been.

Universities are distinctly well positioned to disseminate technology, says Goldfarb, and may even be unsung heroes in the diffusion of Internet technology. "IBM invents lots of things and their employees might use them -- but they stay at IBM, so it's harder for those technologies to have a wide impact. People are only in universities for four years. When they graduate they go all over the world and into all sorts of different industries."

Source: University of Toronto