

Mobile Human Capital and Diffusion of Ideas Across Cities^{*}

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Abstract

I study how internal migration of inventors affects local and aggregate growth through technological diffusion across cities. I propose a quantitative spatial theory of growth and knowledge diffusion through internal migration. My model highlights two mechanisms in which productivity growth can be higher in one city than another: (1) agglomeration forces driven by city size and (2) knowledge inflows through internal migration. I estimate the model using data on U.S. cities and find that large cities have significantly benefited from better access to technology through migration inflows from other cities. This migration effect explains approximately 40% of the cross-sectional variation in local productivity changes.

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