

# **Inventing Human Capital: Historical Perspectives on Work, Education, and the Labor Market**

*Sponsored by the Young Scholars Initiative at the Institute for New Economic Thinking and the Center for the Study of Work, Labor, and Democracy at the University of California, Santa Barbara*

Held Via Zoom  
Saturday April 17 and Saturday April 24

\*Abstracts for submissions due March 1, 2021

\*Papers for accepted submissions due Saturday April 3, 2021

When Theodore Schultz popularized the term “human capital” in a 1961 essay for the *American Economic Review*, he aimed to provide a new framework explaining national economic growth. “Laborers have become capitalists,” Schultz asserted, “from the acquisition of knowledge and skill that have economic value. This knowledge and skill are in great part the product of investment and, combined with other human investment, predominantly account for the productive superiority of the technically advanced countries.” Shultz’s view would prove paradigmatic. Since the early 1960s, education and professional training have been increasingly conceptualized as productive investments – crucial determinants of the rate of economic growth in the US and elsewhere.

The implications of human capital theory, however, have been much broader than Schultz predicted. As Michel Foucault pointed out in his 1979 lectures at the Collège de France, reimagining human labor as a form of capital – “that is to say, as an ability, a skill... a ‘machine’” – had the consequence of eliminating “labor” as an analytical category altogether. Equating wages to capital income also reconceptualized the nature of power in the economy. By casting wage-earners as the owners of their own capital, Foucault argued, human capital theorists such as Schultz, Milton Friedman, Gary Becker, and Jacob Mincer recast as entrepreneurial all forms of economic and social activity, from education and apprenticeship programs to migration and childrearing. Human capital ideas, in Foucault’s assessment, promoted and effected the wholesale marketization of society.

Four decades have passed since Foucault’s *Biopolitics* lectures, and human capital ideas now loom larger than ever. In the intervening years, historians have identified human capital theory as one factor among many that facilitated the neoliberal turn in American politics. For this reason alone, the ideas themselves, as well as their origins and their consequences, are deserving of closer attention. How did human capital theory change, or contribute to changes, in global political economy and culture over the second half of the twentieth century? How did the political, economic, and intellectual context of the postwar period shape human capital research? Where did the ideas of Schultz, Becker, Mincer and others come from, and where did they go?

The Young Scholars Initiative and the Center for the Study of Work, Labor, and Democracy at the University of California, Santa Barbara, are issuing a call for papers for a conference on the concept of human capital and its role in the labor market, both as an empirical matter related to the current functioning of the labor market and the intellectual-historical influence of human capital ideas on policy. The conference will bring the research of graduate students from history, economics, and other relevant disciplines into dialogue with one another. Papers addressing the following questions are especially encouraged:

- How has the relationship between education, training, and wage determination changed over time?
- How have ideas about power in the labor market changed over time?
- How has human capital thinking affected universities?
- What role have universities played in economic development? What roles could they play in the future?
- How has public higher education been imagined since World War II? How have these conceptions changed over time?

Over the past several decades, the concept of human capital has also been invoked in the form of a “skills gap” in the US economy. As the “skills gap” thesis appears increasingly incapable of accounting for a growing body of empirical research in labor economics, the conference also will also consider questions such as:

- What role has occupational licensing played in structuring labor markets in the past? What role does it play today?
- How have state-level education policies diverged across the United States?
- What role do credentials play in firm and labor-market governance?

*Conference Organizers:*

Andrew Elrod, UC Santa Barbara

Neil Johnson, UC Santa Barbara

Jonny Bunning, University of Chicago

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