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Cloete, Nico, Bank, Leslie

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Chapter 2

Universities as urban anchor institutions and the social contract in the developed world

David Perry & Natalia Villamizar-Duarte

Introduction

This chapter proposes that universities as ‘place-based’ or ‘urban’ anchor institutions have the capacity to fly in the face of the increasingly hegemonic, individual and entrepreneurial logic(s) of neoliberalism. Because universities are bound, ‘anchored’ to their place, whether they are commodified by tuition and fees or not, strategies they are developing can help rethink the terms of the social contract in a context that, every day, is being more ‘marketised’ by practises of ‘devolution’ or the normalisation of state withdrawal. Because being anchored to a place matters, some of the features of universities as ‘anchor institutions’ offer an opportunity to question these individual and entrepreneurial practises (Harvey 2005), and find ways to subvert the increasingly economically driven and market logics of state withdrawal or devolution. To explore these possibilities, this chapter is organised in four parts. The first part offers a discussion of the notion of place-based institutions; more specifically of universities as ‘anchor institutions’. The second part frames the notion of the social contract in the current political and economic context. The third part illustrates some of the features that make anchor institutions a way to rethink the terms of the social contract today. The final part elaborates on the idea that universities, as place-based or urban anchor institutions, have not only the capacity but also the means to subvert the progressively more hegemonic, individual and entrepreneurial logics of neoliberalism.

The university and the city

The increasing recognition of higher education institutions as key elements of contemporary urban political economy, as well as the
cultural development of society, especially in cities, is found both inside and outside the university (Maurasse 2001; Perry & Wiewel 2005; Wiewel & Perry 2008). Externally, public officials and political analysts have come to view higher education institutions as one of the ‘driving forces’ or ‘engines’ of local economic development (ICIC 2002). At the same time, throughout the US, universities and their leaders now represent themselves publicly as ‘engaged’ in a place (or city/region). Such engaged, urban (or local and place-based) agendas are now prominently featured in most university strategic planning documents (Gaffikin & Perry 2008).

**Urban higher education as an urban anchor institution**

Historically, higher education institutions have always been significant societal entities and such emphasis on their political economic and developmental import could be construed as simply a case of stating the obvious. But it is clearly more than that. In the US, the tradition of both education and economy has, for long, set the academy apart – both as a physical and an intellectual ‘ivory tower’ and as a tax-exempt land-user – giving it a special place in the city with a special role and special privileges. At different moments in urban history, universities have established themselves as key entities in the transformation of society, from the Medieval period to the Age of Enlightenment, from agricultural times to industrial times (Perkins 1997), or from post-industrial times to the ‘informational’ era (Castells 1992). These changes have also been accompanied by specific patterns of spatial organisation. Initially, universities incorporated as a series of colleges and buildings that were part of the urban fabric. Later, especially in the US, they followed patterns of spatial organisation that turned them into ‘enclaves’ or ‘campuses’ that were envisioned as quiet, self-sufficient areas segregated from the main functions of the cities. At the same time, since their origin, universities have embraced a multifaceted character that has given them the ability to adapt to changes in politics and society and that has been fundamentally rooted in place. As the full institutional import of universities has become more overtly apparent, such practises have receded in their prominence or become more a subject of debate. Today it is the generative, place-based role of higher education institutions – beyond their educational contributions alone in the political, economic and social transformations of cities – that is something to be leveraged (ICIC 2002; Maurasse 2001).
In the US, urban higher education institutions provide an incredibly significant range of contributions to the places or cities of the nation and their constituent communities. A few years back it was estimated that one sector of those institutions, urban universities, contributed USD 400 billion to the annual urban political economy, employed in excess of three million people which included over 600,000 faculty in 3,400-plus institutions, and enrolled over 15 million full- and part-time students (Gaffikin & Perry 2008). Almost 60% of these institutions are found in municipalities, with over 1,900 universities and colleges in the geographic core of US cities (ICIC 2002). The combined spending of these urban universities comprises about 68% of the total spent annually by all universities in the US (ibid.). Put another way, urban universities are spending over a quarter of a trillion on salaries, goods and services, which is more than what the federal government spends in cities on jobs and economic development combined.

Higher education institutions consistently rank among the top employers in metropolitan areas and, in many cases, are a place’s (a city, community, region or even a state) top employer. In Philadelphia, for example, the University of Pennsylvania is the city’s top employer. The Johns Hopkins Medical Center (both ‘ed and med’ in anchor institution parlance) is not only the city of Baltimore’s top source of employment, but the state of Maryland’s as well. At the same time, higher education institutions are among the largest and most permanent sources of land and building ownership in the city. Indeed, it is estimated that, using original purchase price as a referent, urban colleges and universities at the core of cities own over USD 100 billion in original, fixed-asset value (current market value could be several times higher than this long-outdated figure) (ibid.).

As a result of these data and more, urban higher education institutions are increasingly seen as anchors of urban development, serving as important dimensions of domestic change. By anchor institutions we mean higher education and other mostly non-profit, public or civic entities that ‘by reason of mission, invested capital, or relationships to customers or employees, are geographically tied to a certain location’ (Webber & Karlström 2009: 4) or place. We can use such a definition to cover a full constellation of ‘eds’, ‘meds’, civic institutions, community foundations, local and federal governments, and even a few private and public-private entities such as utilities that, together, form the mix of institutions that have the ability to be ‘foundational’ to urban development. While places or cities have certainly returned to a place of prominence, both nationally
and globally, their success in the future will be tied to how truly foundational these institutional actors (starting with universities) will serve to be, as place-based anchors for the cities’ success and failure.

*Universities: ‘Place-based’ urban institutions*

Whether or not universities in the US were several buildings distributed in the city (or the place) or a campus, the spatial patterns of their organisation and the different strategies they developed connected them, wittingly or otherwise, to the politics (the relations) of the place. In the American context, university campuses were not meant to necessarily, in the first instance, be urban, but rather could be quite the opposite or ‘anti-urban’, even ‘rural’. In contrast, many European and Latin American campuses were, from the beginning, proposed as autonomous developments that resembled ‘a city’, even if they were ultimately relegated to the urban periphery. Although starting from very different vantage points, both academic patterns adapted not only to their functional demands but also to their local and increasingly urban and/or multifaceted context(s). Today, education is not exclusively a function of higher education; rather, it has moved, fully, into the city itself. The notion of ‘reciprocity’ and engagement makes the university’s role in the production of knowledge a decidedly multifaceted or mixed one, with the city (or the place) becoming an engaged partner in knowledge growth and production.

Such engagement requires that the actual functioning of the university demands institutional activities that exceed the traditional academic or administrative ones. For example, establishing new activities and transforming the place, or community or area surrounding a university are prime goals for the neighbourhood, but not necessarily key academic or administrative functions for the university. Current debates emphasise the entrepreneurial approach of universities to administration that leads to processes of privatisation. However, in terms of the role of universities as anchors, the condition of being public or private would not necessarily imply a distinction; rather, it would simply suggest the university’s capacity to develop strategies for being a community vehicle for positive urban transformation – public or private. Today, in a globalised context, the role of higher education is changing, and the university is becoming more important (to the place) economically, politically and spatially. Two of the main reasons for this shift are the increasing number of students that come to the university (and the place or
city) from around the world, and the increasing importance of advanced education to all the material and non-material features of global markets.

Today, the urban in one part of the world could well demand a different mixture of community or place-based anchoring than in another part of the world. The role of the university as a place-based anchor may require different relationships with place – different interactions that imply a shift in the scale, the mission, and even the very functioning of the university. This shift produced new spaces of relations, new geographies, both social and physical that are not defined merely by closeness but by the interactions and movement of people, information and goods. This shift, occurring at the moment in which urban development is driven by a neoliberal agenda, poses new questions for the actual production of these geographies and for the ways in which they forge new sets of institutional arrangements.

A neoliberal context and the social contract

For the greater part of the last three centuries, one of the key notions of political thought in the US in particular and Europe more generally has been the notion of ‘liberalism’. In fact, some would suggest that as the state has become increasingly devolutionary and governmental policies have become more ‘commodified’ or ‘privatised’, a new (or neo) form of this liberalism has emerged as a dominant logic of a ‘limited’ state. Therefore, it is not surprising that David Harvey (2005: 2), in his Oxford-produced primer A Brief History of Neoliberalism, suggests that both US and British political leaders have offered this new individualism or version of Lockean liberalism as

... in the first instance a theory of political economic practises that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterised by strong private property rights, free markets, and free trade. The role of the state is to create and preserve an institutional framework appropriate to such practises.

If such (free) markets (and trade) do not exist in, as Harvey suggests, policy areas such as land, water, education, health, social security or environmental pollution, ‘they must be created by state action if necessary’ (ibid.).
The neoliberal process

As the state evolves, or ‘devolves (from central or federal government to state and local government and further on to policy-commodities)’, various elements of policy can be spun off to the ‘private’ and ‘third’ sector while increasing the expectation that the place or ‘community’ will fill the void left by state withdrawal (ibid.). In this definition of neoliberalism, as a theory of political economic practises, the state’s duties are clearly delimited by the functioning of markets. Thus, this theory follows the old liberal saying that ‘the best state is the one that governs least’. Harvey goes on even further to suggest that, according to this theory, beyond the key tasks of security, stable currency and certain key infrastructure-policy areas, ‘the state should not venture … because the state cannot possibly possess enough information to second-guess market signals (prices) and because powerful interest groups will inevitably distort and bias interventions (particularly in democracies) for their own benefit’ (ibid.). Almost everywhere, Harvey argues, the political economic turn has been to some version of this revised form of individualism, turning the social contract into a new form of individualism and/or marketised or commodified entrepreneurship, where the politics or political structure in most corners of the globe are, as we said above, some new version of devolutionary deregulation, privatisation or withdrawal, and the out-and-out shrinkage, of the (urban or local) state.

For Harvey, higher education does not escape this process of commodification. However, if we return for a moment to our thesis, it is, as we have said previously, rather simple: the university is a place-based or urban anchor institution allowing room to develop strategies that fly in the face of the hegemonic, individual and entrepreneurial logic(s) of neoliberalism. Universities are bound or anchored to their place – whether they are commodified by tuition and fees or not. They are a part of the place (the city, the community or the neighbourhood) of which they, themselves, are a part. They cannot leave the institutional fabric of their very being behind without going fully out of business. A city can ‘de-industrialise’ – for example losing its steel industry or its furniture industry to some other ‘global’ city, and this loss will have not only an economic but also a social impact. However, it would be hard-pressed to lose its university or college because, beyond the economic and social measurable impacts, education represents a means of societal transformation and a key dimension of the social contract.
The social contract

Theories about the social contract have historically accompanied the philosophical and political debate about the government of societies and the contractual nature of the relations among individuals, societies and state. Earlier social contract proponents, such as Thomas Hobbes, John Locke and Jean-Jacques Rousseau, argued for a social contract constructed from a critique of monarchies and, by extension, various other conceptualisations of human nature that could transform the government of societies. Contemporary theorists, such as John Rawls and David Gauthier, propose a somewhat altered understanding of the social contract under a relational moral framework informed by self-awareness and recognition of the ‘other’, rather than by external social/governmental enforcements. More recent debates question the notion of the social contract from a critical perspective on power, and call attention to the role of the social contract in legitimising different forms of power as a tool of social control, as well as to the existence of multiple manifestations of the social contract regarding roles, positions and power relations in society (Perry & Villamizar-Duarte 2016).

Even though, from its origins, the idea of a social contract has been embedded in individual rights, its nature is collective and its prime target(s) is/(are) the feature(s) of such collective(s), sometimes attached to the entire society and sometimes to specific institutions. The social contract is, then, a collective enterprise shaped by those aspects or feature(s) that are recognised as foundational or structural for society (i.e. public goods and the means to ensure access to them). The foundations embedded in the social contract were traditionally assigned as responsibilities of the state. However, the increasingly devolutionary practises of the neoliberal logic of functioning of states have pared down the collective nature of governmental practises, shifting their foundations towards more individualised and marketised approaches to a state’s part in the implementation of the social contract.

As mentioned above, the liberal ideology that claims the liberation of the individual to exercise entrepreneurial freedom, which is essentially ‘free’ from government interference, assumes, as the specific role of the state, the creation, preservation and facilitation of these freeing practises. In this context, it seems that the only legitimate option for the state is to protect individuals in the full enjoyment of their private rights. However, the interwoven relationship between economics and politics is neither natural nor unintentional but rather a process in which both can debate, question and recreate each other. Therefore,
the contemporary shift in the balance of political and economic power offers an opportunity to review the notion of social contract based on an understanding of the changing role of the state in the era of rising economic power and the need to create a new collective understanding of urban living.

To engage in this task, it is important to go beyond economics and politics, particularly in all those aspects of urban life that also affect and are affected by the relationship(s) of society, state and markets such as education, health, public infrastructures, environment, etc. Thus, this chapter looks, particularly, at the institutions of higher education (universities), the collective, societal entities that comprise the urban or ‘place-based’ institutions of which they are key elements – either of the place as (collective) activities of society, or as an urban, place-based whole, and as certain specific institutions which serve as anchors of the place. It is this latter element of certain, specific, institutions of place that would find it difficult to move (Webber & Karlström 2009).

Some questions arise from examining the institutional and collective characteristics of higher education institutions and their place-based nature: does the university do anything to recognise or otherwise create relationships that enhance the place of which it is a part? If so, do these practises subvert the hegemonic logics rooted in neoliberal practises and provide an alternative view of the contemporary social contract, one that can recreate the ‘collective understanding’ of urban living? In short, the deregulated and privatised notion of place, filled in by the university, requires a set of relations that are not quite private or commodified through the nostrums of new-individualism or neoliberalism. It offers, rather, an alternative to rethink the role of the state and revisit the notion of the social contract as anchored in the place, as a societal or collective social contract in the everyday lives of contemporary urban areas.

The public united states research university: ‘of the city not simply in the city’

For universities in the US, the rhetoric may make claims on the institutional importance of higher education to the urban context, but most research or scholarship, and indeed much of higher education practise with regard to its urban environment, is decidedly influenced by the long-lived Anglo-American traditions of ‘anti-urbanism’ or ‘pastoralism’ (Bender 1988; Turner 1984) that gave rise to the bucolic (and decidedly non-urban) ‘campus models of education’,
representative of the university as a site of ‘objective’ science and reflection. Such a model of the university was best undertaken in a space of remove from the turmoil of the city – practising a ‘sociology of knowledge’ that reflected a ‘science’ of ‘independence’ from the political relationships of the (urban) community that surrounded it (Kerr 1963). Put another way, such pastoralism was reinforced by the scientific paradigm(s) of ‘objective’ scholarship that warranted against untoward influences from outside the campus or neighbourhood. In short, the university was a campus – removed from the very place of which it was a part, protecting the knowledge it produced from the outside world and anything that could be construed as less ‘scientific’, more urban and, potentially, more self-interested by place-based or community influences. Historians and other social scientists, such as Thomas Bender (1988) and Paul Venable Turner (1984), call these early traditions of education at the American university or campus not only a version of the pastoral American tradition(s) of anti-urbanism, but also what other US political analysts would call a devolutionary version of the states’ ‘rural bias’. These traditions permeated both urban and university policies from the beginning, especially as they were found in the famous pragmatics of the American public research university and the Land-Grant Act (Kerr 1963).

An equally important historical element of universities, outside such ideological policy influences on American education, has been, from the medieval-tradition-forward (Bender 1988), a quite opposite trend that integrates the university and the city – not as simply an institution located IN the city (as pastoral practises would have it), but, as Bender often says, ‘OF the city’, for almost a millennium in the European urban university. As such, in Bender’s Europe, at least, the institution of the university was historically viewed as a place-based anchor of urban life – what we have called elsewhere an institution that is indeed foundational to the long-term character and development of the city of which it is a part, fully vested (in its array of scientific, research and teaching practises) in the urban political, economic and socio-cultural development not only of the city, but also of the place (Harvey 2005).

However, beyond the American traditions of pastoralism and anti-urbanism, higher education institutions in the US have become urban anchor institutions shaping specific geographies of development that are defined by place, while also serving the universities’ academic objectives and commitment. This decidedly collective or institutional ‘vesting’ in the city and community takes on many features, three
of which, we have learned (Wiewel & Perry 2008), are required (in some manner) to anchor the urban – as a foundational or fully vested place-based institution. These three features include: (1) mutuality/collaboration, (2) 360 degrees of development, and (3) globalisation and the globalising university. These features can serve as a guide to a re-examination of the social contract from an anchored perspective of its collective nature.

**Mutuality/collaboration**

An institution of higher education located in an urban community or neighbourhood works best in concert with other place-based institutions. David Maurasse’s (2001) notion of partnership is key to this section of the chapter. He suggests that the university or college must get beyond its place and ‘partner’ with the community or the city (place). In short, the economic value of the collective or institutional nature of the university to the city or neighbourhood is not enough to make it a fully vested or foundational feature of the development of the city, the urban neighbourhood, the community or the place. Rather, it is, as Maurasse suggests, the *partnership*, the mutuality and the very collaboration between the university and the state, civic foundations and other institutions rooted in the urban that strengthens the role of the college or university in the city and helps build the future of urban (or fully realised, place-based) community or neighbourhood development.

As important as this notion of partnership is, research done with the Coalition of Urban Serving Universities suggests that every-day (De Certeau 1988) collaboration between institutions becomes more foundational and less optional. In today’s neoliberal and devolutionary context, universities must work in concert with other institutions to be fully vested in their city or place. Even more, that partnership does not necessarily imply unanimity of the final objectives but rather a common understanding of the possibilities and the potential that this strategy brings to the different actors involved. This notion of mutuality or collaboration between different partners pursuing self-interests, no matter how ‘enlightened’ and within a collective vision as a framework, offers insights into the contribution of anchor or place-based institutions. At the risk of being somewhat repetitive, such contributions allow us to rethink the university as an urban anchor institution, and as a collective social contract with assemblages of different interests and different practises that achieve results which lead to the construction of ever-wider and more flexible long-term
agendas. To become true urban anchor institutions, universities need not only work with other anchors but also create other collective frameworks of interaction. To illustrate this feature, we will discuss the case of Chicago below.

To supply an example of urban universities as place-based anchor institutions, the case of Chicago will be used here, where the city-region’s area plan for the city’s central business district, known world-wide as the ‘Loop’, contained an unrealised economic district that amounted to what one area planner called a ‘desolate hole in the metropolitan donut’. With no economic traction or participation from any private sector entity – only dis-investment – the city-area planner took a different approach and sought to build a collaborative, inter-university partnership at the centre of the south-east quadrant of the Loop. With four institutions of higher education (Columbia College, De Paul University, Roosevelt University and Robert Morris College) each with their own, highly realised, ‘residential’ strategy, and in competition with each other, the four colleges were forced to collaborate with each other. In the partnership process, they built the largest joint-institutional residential dorm in the US – with 1,680 sleeping spaces overall and a mixed-use, public, private and retail mixture of taxable and non-taxable dormitory uses called the University Center of Chicago. Along with the DePaul Center, the emergence of Columbia College as the single most important academic land and building owner in the Loop and the new building built by Roosevelt University, the south and east quadrant of the Loop was reborn – moving from a ‘desolate hole in the metropolitan donut’ to a 24-hour a day and seven day per week economic powerhouse. In Chicago, therefore, the declining quadrant of the Loop is now anchored by universities of city development – with more students, employees and visitors than any other major academic zone in the US. In fact, with the private sector leaving the central business district, or Loop, of Chicago and not coming back, the south and east quadrant is now simply the largest campus town, in terms of total student enrolments, in the US.

360 degrees of development

The president of a west coast public, urban research university with clear contacts to both federal leaders and state leaders still could not get much done. He told us, quite conclusively, that ‘he could not go it alone’. Just as universities and their leaders cannot ‘go it alone’ and expect urban
development as a result, so too they must practise an approach to place-based development that is fully coordinated and evolved: what we have called elsewhere ‘360 degrees of development’ (Perry et al. 2009). Here, university–community engagement requires that a university not only be a good neighbour but also a good urban planner, as well as a good, strategic and active economic developer and, in political economic terms, an entrepreneur (Harvey 2005). Such a move to place-based change requires that the institution be truly ‘collective’ and ‘collaborative’. Or, as our public research university president said: he cannot individually count on his contacts to get whatever the university and its city or place wants; he cannot ‘do it alone’.

Various examples, not only in the US but also in other geographical contexts, illustrate how universities have worked with other institutions to achieve the physical development and urban transformation required for the very enhancement not only of their functioning, but also of their role as anchor (Perry & Wiewel 2005; Wiewel & Perry 2008). As neighbours, universities’ involvement in community development and community engagement have had different levels of success and failure – from discrepancies and conflict about the type of development and the impact on communities’ everyday life, to a more participatory approach in which communities’ needs and aspirations help reshape universities’ development agendas. As urban planners, universities have a crucial interest not only in the long-range developments that engage and uplift the surrounding area, but also in negotiating the major structural aspects of city planning on public infrastructures. Finally, as either an economic developer or entrepreneur, universities engage in different projects that draw from private funding and economic resources, which bring into the negotiation the interests of other partners as well as the logic of competitiveness.

From their initial interest of becoming developers and the initial conflict that this approach brought, there has been a push from universities to engage with the ‘local’ (or place) which has brought to the surface their capacity to act as negotiators of not only their own interests, but also those of their economic partners, the communities in which they are located and even the city as a whole. The universities’ increase in ‘service-based learning’ is not purely selfless (Perry & Wiewel 2005). The history of university development has provided examples of how reciprocity, or engaging with communities as part of the academic core, brings a different understanding of the needs of each actor, and the opportunity to reshape the terms of their relationships towards a more collective version of the social contract.
CHAPTER 2 Universities as urban anchor institutions and the social contract in the developed world

Rather than remain in Chicago for all of our evidence of universities as place-based anchor institutions, we will move our analysis to another urban-place in the ‘developed’ and urban US – Atlanta – and three of its universities and colleges. In particular, we concentrate on the small and private not-for-profit Morehouse College and two public research universities – Georgia State University and Georgia Tech – to illustrate the feature called ‘360 degrees of development’ (Perry et al. 2009).

In the case of ‘360 degrees of development’ of colleges and universities as urban anchor institutions, we will start with the smallest of the three Atlanta colleges, Morehouse College. Morehouse College is private, has limited financial resources, and had a long history of turning its back on its neighbours – preferring to act as a key example of Turner’s (1984) pastoralism: an independent academic enclave, not a part of the place. In time, however, Morehouse College created an ‘enlightened’ (Perry & Wiewel 2005; Weber et al. 2005) goal of revitalising the surrounding residential area – as much to make the college ‘more attractive’ to in-coming students and their families as it was to enrich the lives of the college’s neighbours. But such ‘marketised enlightenment’ did work. It did so with limited funds and, understandably, little to no community or neighbourly trust. Morehouse was able to accomplish its goals of community ‘revitalisation’ by joining a neighbourhood Community Development Corporation that allowed it to maximise the use of its scarce resources. It also helped to build a new, hitherto unrealised, strategy of community trust and even carry out a much-needed land swap with city hall as a direct result of the new, albeit ‘enlightened and self-serving’ trust built up in the neighbourhood through Morehouse College’s participation in the successful Community Development Corporation.

Also in Atlanta was the much larger public research university of Georgia State University. The university’s master plan for the downtown campus became the first accepted and executed downtown central business district master plan element in the city’s history, replete with new uses (academic) for deserted (private sector) buildings that were retrofitted and used to make up new sections of the university’s downtown campus. One feature that really works in the master plan is not simply the refurbishing of old, once-privatised buildings, but also the new traffic routes that brought the campus into the city and the city (traffic and urban revitalisation plans) onto the campus (Perry & Wiewel 2005).

Finally, also in Atlanta is an equally large public research university, commonly called Georgia Tech, which operated in
many ways like the anchor institution of entrepreneurship. Perhaps outside of the downtown central business district there was no zone that was, for so long, as deserted by the private sector as ‘Midtown’ Atlanta: the city had tried every type of incentive but, despite museums and municipal orchestral back-up, by the turn of the century almost 60% of the buildings in the Midtown area around the university were bankrupt, vacant or in foreclosure. The place of the city of Atlanta could not get the private sector to move back into the Midtown area, even with the poor economic health of other areas of the Atlanta city/region. So, the first move the city made was to set up three new anchors (public and collective) of physical investment in place – a new federal reserve bank building, a new public infrastructure/utility building of the telephone giant Bell South, and a new state (public and private) set of buildings designed and built by Georgia Tech and its Georgia Tech Foundation. In the latter case, the set of state buildings in the ‘Midtown area’ was built fully by Georgia Tech, and became known as ‘Tech Square’, with a hotel, a business school, a telecommunication building and an economic development building. These and other academic elements of Tech Square were built in order to organise a new portal into the campus – one that would operate as both a research portal to attract faculty and to keep students, ‘well-trained’ at Georgia Tech, in the area. To this end, across the street, the Georgia Tech Foundation purchased and owned land, and leased totally privately built buildings under the rubric of Centergy. These would operate, among other services, as part of a ‘fishing space’ programme to attract new research inventions and patent projects and, ultimately, attract faculty and retain students. What is so interesting about the way that Centergy works is that, because of the capabilities of the university, Centergy was able to attract the private sector in some ways to the research capacities of the university. Further, at the end of 30 years, the Georgia Tech Foundation could exercise its ownership clause over the building and land – all leased through the Foundation – and thereby all the Centergy buildings and land could legally revert to the university.

Globalisation and the globalising university

Finally, there is no city in the world today – be it London, England, Santiago (Chile) or Columbus (Ohio) – that can deny itself a future role in the global economy. In fact, no city in the US needs
to be what scholars in general have, for so long, called a ‘global city’ (Sassen 2001) in order to play a role in the global economy. In fact, the contemporary political economy of globalisation all but requires urban, place-based attention to neoliberal commodification (Wallerstein 2004). Beyond this, the globalising practises of the research universities of a city are key links in a place’s initiation and maintenance of productive new roles in the economies of cities (ibid.), the nation and the world (Wiewel & Perry 2008). Here we will simply add a point or two on the role of the university in linking a place or entire city and its people to this new ‘global economy’.

There is little doubt that higher education is now a globalising sector – not only for American public research universities (Kerr 1963) and other major universities in North America and Europe (Van Ginkel 2003), but also for the universities in the rest of the developing world as well (Altbach & Umakoshi 2004; Gaffikin & Perry 2008; Wiewel & Perry 2008). Consequently, the anchor feature of universities today has a twofold effect. In anchoring a place, universities have the capacity to positively develop their communities. But, at the same time, they can become part of the platform used to increase the economic or overall ‘urban competitiveness’ of a place, community or city. Thus, universities, as central assets of the city itself, raise the profile of a city globally (Benneworth & Hospers 2007).

The globalising practises of the research universities in a city are key links to regional development and the maintenance of a city/region’s productive role. Cities and regions with strong place-base anchor universities make a difference by providing a collaborative leadership while working with other actors to develop significant connections with their place and the world. Anchor universities are strong, established institutions that are locally rooted and globally connected. They not only have a key role in promoting economic growth, but also have the capacity to boost social capital and the ability to promote community development. By engaging in research and innovation, universities can link the city and its people to new economies. However, research universities are increasingly being under-funded by the state, leaving the place either empty or occupied, increasingly, by private interests. The commodified and for-profit institutions of higher education in the core of Santiago, Chile are but one example of such increased marketisation of urban development. The question is then: how can the university help balance private interest against a collective or public social contract?
Anchoring a new social contract in the city

As impressive as the information introduced above may be, it does not represent the sum of the activity or the value of universities and other anchor institutions in cities, especially the American cities of the developed world. The information offered here is not a product of the singular activities of universities – it is the result of the relations of universities with multiple institutions or urban stakeholders. In fact, the previously mentioned conversation with the university president was really instructive about this (see discussion on 360 degrees of development above). The academic leader expressed that he felt quite powerless to make urban change happen, even though he was truly considered to be a major actor in the city. In other words, when left to his own institutional devices, the president, no matter how committed and individually skilled, was not capable of making change happen through the university alone. This reflection leads to an important point that, no matter how dramatic the economic outputs of particular anchor institutions, they are most successful institutions of urban development to the extent that they operate as fully vested urban institutions (Perry & Wiewel 2005; Perry et al. 2009) – that is, fully engaged in mobilising the collective capacity of a full range of city and academic leaders to achieve the multiple interests of a city-region and its communities, as well as universities, in ways that are mutually agreeable.

Universities in the US are institutions with a collective social contract that requires a relationship with a place – it is a part of the place; it is anchored in it. Whether we are in the developed world or the developing one, the institution of higher education is usually not leaving; in fact, it cannot leave without essentially going out of existence. The vicissitudes of the market do not obtain for this institution as they do for other industries, and the extent to which it is embedded or anchored in a place is the extent to which we must ask the question of how really foundational the institution is to the transformation of the place or how much is it really ‘vested’ in the city or region. How collaborative is the institution with other like-place-based institutions or anchors? How much of a partnership is there in the collective relationships of the place? Or has Harvey’s notion of a hegemonic neoliberalism, an individual entrepreneurship served by a shrinking, privatising government and increasingly deregulatory state, come to consume political economic practise and make an institutional and collectivistic society of place, less possible or less anchored?
This role in urban development represents an important feature of the anchor institution; not unlike a societal ideal type – comprised of conditions and practises to be aspired to, rather than to be fully attained in everyday urban political economic practise. Even more, it is this process of relationship building – of collective capacity-building among the multiple stakeholders of cities – that can help develop the city in mutually agreeable ways. Such mutuality of relationships and the collective capacity of urban leadership it might garner is hard to come by in cities where the interests of city government, community, university, hospital and utility are multiple and often quite contested. But, as the experience of the university president described above suggests, the university will be more fully successful as an anchor institution if it is not required to ‘go it alone’.

Thus, mutuality and collaboration, 360 degrees of development, and a critical approach to the globalisation of the university, become the key features to extend the anchor role of universities. Yet, to be fully vested, this multiplicity implies inclusion; that is, a multiplicity of arrangements and negotiations of interests that not only represent active partners, but also the communities and the city that are the place(s) of the university. Although working through different self-interests, the anchor role of universities needs to focus on creating a common ground; a framework in which goals, types of relationships, expectations, synergies, agreements and conflicts can be included to shape a more collective version of a social contract. Therefore, to become fully vested, universities have the opportunity to take advantage of their planning role for building collective capacity through the further development of the features presented above. This, in turn, requires full understanding of situating, actors, interests and types of relationships; larger recognition of the uncertain conditions of the collaboration and extensive commitment to inclusion; and the assemblage of multiple self-interests into a more collective framework of action.

The intent here has been to recognise the different types of relationships, including (urban) conflict (Gaffikin & Perry 2012; Mouffe 2009), and to understand, in their origin, a movement away from the idea of pure self-interest as part of the problem and an impediment to working together towards the idea of enlightened self-interest as part of the solution (Weber et al. 2005). This implies an acknowledgment of spaces of conflict as well as spaces of temporary understanding (Gaffikin & Perry 2012; Mouffe 2009). In working with universities, the idea of enlightened self-interest can initially be
seen as related to higher education as an institution of engagement with different actors of the community in terms of mutuality and collaboration, as well as with other active actors and a wider collective. This understanding of self-interest as a motivation for reaching out and engaging the community brings into the debate aspects of conflict and agreement in the relationships. It indicates assemblage of different interests to impact place under the constant questioning and critical evaluation of aspects of conflict, agreement and self-interest.

Understanding the social contract in relational terms – between individual and collective and market and state – raised the question in this chapter of what a new version of the social contract could look like. Although this is not an answerable question by itself, we have argued here that different arrangements of the social contract based on the anchoring capacity of place-based institutions needs to rethink the current relations between state, market and society from the place, the community and the city. In short it need not be hegemonic. This, finally, can contribute to shaping the social contract as a structure from which a society can be rethought as a collective enterprise that proposes different, non-hegemonic, non-commodified arrangements for the relationship among freedoms, rights and equality.

References


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