The public university and the retreat from globalisation: an economic geography perspective on managing local-global tensions in international higher education

Professor Eric Knight
Executive Dean, Macquarie Business School
Macquarie University
North Ryde, NSW, 2109
Australia
E: eric.knight@mq.edu.au

Professor Andrew Jones
Vice-President Research and Enterprise
City, University of London
Northampton Square
London
EC1V 0HB
United Kingdom
E: Andrew.jones.3@city.ac.uk

Professor Meric S. Gertler
President of University of Toronto
University of Toronto
27 King's College Circle, Room 206
Toronto ON Canada
M5S 1A1
E: meric.gertler@utoronto.ca

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Abstract

As a growing backlash against globalisation gathers momentum, internationally oriented public universities face a period of great unrest. In particular, they find themselves caught between the narrowing local agendas of their public funders and the global outlook of their researchers and students. We suggest that an economic geography lens provides a powerful perspective for how universities might navigate these tensions. Specifically, we show how local-global tensions can be managed through strategies engaged at the city and regional level. Our contribution seeks to inform current debates in the higher education sector and bring economic geography more centrally into public discourse on this topic.

Even before the COVID-19 pandemic erupted in early 2020, the backlash against globalisation was clear in the changing discourse of national polities. The United States' move toward an 'America first' foreign policy stance under President Trump, and the United Kingdom's formalization of 'Brexit' and its separation from the European Union with the election of Prime Minister Boris Johnson in late 2019, are but two significant examples of a more widespread phenomenon.

This unrest poses particular challenges for internationally oriented public universities, caught between their internationalizing student bases and research aspirations on the one hand, and the priorities of their national and sub-national governments as public funders on the other. These tensions have been driven by widening economic and social disparities in which universities are implicated (Thrift, 2016). In the US, for example, the annual College Access Index shows that the proportion of domestic students from low socio-economic status families has declined in recent years amongst public universities despite the mission of these universities to serve the public (Gertler, 2018). At the same time, the public's trust in academia appears on the decline. According to a 2017 Gallup survey, "While a majority of Democrats and Democratic-leaning independents (56 per cent) say they have a great deal or quite a lot of confidence in colleges, only a third of Republicans and Republican-learning independents (33 per cent) hold that same view" (Auter, 2017). These perceptions match others emerging in the UK, Europe, and Australia, as public universities in each of these jurisdictions wrestle with global and local expectations on their public role as well as how to secure sources of funding that correspond with these expectations (Davis, 2017; Gertler, 2018).

This paper argues that the perspective of economic geography offers a vital way to respond to the sector's current tensions, and a means by which universities can re-imagine their missions going forward. In particular, we argue that the research and teaching missions of universities are increasingly caught in a global-local tension, wherein their global strategies and local politics are often seen as out of step with one another. We argue that these tensions need to be re-imagined as opportunities, and specifically that universities do so by activating an institution's 'trans-local' identity. We define a trans-local identity for a university as one where the distinctive importance of local place both shapes (and constrains) the strategic choices that an institution makes about its research and teaching mission and its intersection with the broader world. We illustrate this through two examples of such tensions at the local-global nexus: global strategies and the city; and global strategies and the region. In doing so, we position the challenges that the sector faces in relation to research impact and student experience as an inherently tension-fuelled one, but one where a careful and creative understanding of the role of geography in balancing tensions is central to long-term sustainability and success.

Historical context on the global-local tensions of public universities

Public universities worldwide are increasingly wrestling with a common set of issues. The growing mobility of young people has given students greater choice over their prospective higher education institutions. In practical terms, this means that public universities have been changing from exclusively educating domestic students to having a mix of both domestic and international students. At the same time, the employment market into which these students enter is changing. Whereas employers traditionally recruited from a local market, this now

varies by employer. Multinational firms, for example, might be more inclined than SMEs to expand their view on recruitment, attracting global talent and servicing them through multi-regional offices or remote working.

Research has also become much more internationalized. Universities have been increasingly successful in attracting international faculty to their ranks, who often bring research relationships with academic colleagues, as well as industries and governments, that can span international borders. This in turn has coincided with a reconceptualization of research excellence amongst academics, research councils and government, where impact, commercialization, and fundamental research are now increasingly regarded as multiple dimensions of research excellence rather than trade-off choices. Academics are encouraged to do *both* discovery *and* translational research rather than specializing in either/or, placing growing pressure on their knowledge base, professional networks, and time.

Whilst these specifics may be new, the underlying trend is well-established. The notion of research impact and student experience have been central to the founding of the public, metropolitan university, harking back to debates in the UK in the mid-nineteenth century. The reformers who established London University in 1826, for example, deliberately sought to move beyond the ancient model of teaching and research that dominated in England. London University offered higher education for those excluded from Oxbridge by faith or income. Its curriculum was *of the city*, offering "modern science, modern languages, the major branches of philosophy, and political economy" (Davis, 2017: 36). Many of the component institutions of the modern University of London were founded first and foremost to address the needs of the Victorian economy for engineers, scientists and other skilled professionals, as well as the wider goals of social advancement.

Regional universities in the UK followed in a similar fashion, focused on bringing jobs and skills to their local geographies. Newcastle University, for example, can be traced back to the School of Medicine and Surgery founded in 1834. Similarly, various professional colleges emerged in fields like law, mechanics, and textile manufacture, eventually joining up as universities like Manchester, Liverpool and Leeds.

This ethos also travelled to Britain's colonies. In Canada, King's College began in 1827 as an Anglican institution of higher learning, later becoming the University of Toronto in 1850. Amongst its earliest faculties were engineering, medicine, and dentistry (Friedland, 2013). In Australia, William Wentworth led the argument in NSW to create the University of Sydney, founded with a secular and public purpose in mind, "constituted and shaped by political projects and the broader settlements that underpin them" (Davis, 2017: 41). Here, too, early faculties emerged in law, medicine, pharmacy, surgery, and midwifery.

A century later, public universities went through a similar period of identity re-appraisal. During world war two, many universities received a rapid injection of research funding as part of the defence effort, leading some researchers to take a deliberately commercial turn (Shore, 2010). However, these funding levels were difficult to sustain in peacetime. In Britain, the Robbins report of 1963 eventually confronted these challenges head-on, altering working conditions for academics as a way to help the government cover the cost of universities. In the US, the government's creation of federally funded research and development centres (FFRDCs) supported peace-time defence funding, via institutions like

MIT Lincoln Labs and Stanford Research Institute, which helped support the cost of 'big science': large capital costs associated with high-end research infrastructure (Zachary, 2018).

University models and their current challenges

The increasing internationalization of public university enrolments and research has led to contentious debates in some jurisdictions, as this trend appears to have weakened the connections between such universities and their local context. Is it the role of governments to fund public universities in which the proportion of international education and research is growing? Do publicly funded universities have an obligation to prioritize access for local students, ahead of international students? And if universities are increasingly autonomous in their financial affairs, should they nevertheless still be required to meet local expectations around student access, the success of their graduates in the labour market, and their stimulative impact on local and regional economies?

Some scholars have offered differing models that a university might pursue in balancing these priorities toward a coherent overarching purpose. The work of Milojevic (1998), for example, identified six different models of what the New Zealand government wanted its universities to be – as a corporation, as a place of academic leadership, as a cultural coordinator, as multiversities, as high tech, and as community-based. Yet others, in the Australian context, have suggested that this divergence is artificial and that public policy has largely optimised toward convergence on a single model: cosmopolitan, research and teaching-intensive universities with healthy inflows of international students (Davis, 2017).

This convergence has generated critical accounts of the modern university, in which universities are but by-products of their political economy context (Brown & Carasso, 2013; McGettigan, 2013). Jöns and Hoyler (2013), for example, have highlighted the influence of international rankings on university strategy, arguing that the construction of different indices has reflected (and shown bias toward) particular kinds of university models. Moreover, the growing reliance of public universities on student income, and increasingly international student income, has become a powerful force amidst declining public funding. This reliance has been thrown into sharp relief by the COVID-19 pandemic, precipitating enormous financial challenge for many universities in the UK, US and Australia, for example. Hall (2015) showed how the marketization of student fees was used by the UK government as a basis for shifting funding responsibility to universities. Critical management scholars have also critiqued the activities of university leaders, arguing that their strategies have often been contradictory and self-defeating (Muellerleile & Lewis, 2019). Shore (2010), for example, has observed the wave of 'new public management' and the restructuring (centralizing) of New Zealand's universities to enable an 'audit culture' to account for universities' delicate financial planning.

These debates illustrate that universities face challenges in balancing local needs, global opportunities, and a multitude of stakeholder expectations. As they face up to these challenges, we argue that geography – and specifically re-imagining this local-global nexus through the lens of a trans-local university identity– is important in crafting effective and sustainable university missions. In making this case, we understand universities as knowledge creating institutions increasingly situated in material places that are perforated (Amin, 2002; Knight & Wójcik, 2017) by distant and technologically-mediated relations. Universities therefore exist to facilitate processes of knowledge creation. This is achieved through the

practices of *learning-through-interacting* with external partners (Lundvall & Johnson, 1994). These partners include *both* locally-based and global firms.

Since the interactional nature of university work is so crucial to how knowledge is created and sustained, we suggest that *where* it happens (geographically) is important to the type of knowledge and type of social benefit that arises. Similarly, even when work is local, it needs to be situated within a global context in order for it to be meaningful. Therefore, we argue that it is the ability of universities to enact the global and local *together* within the classroom or the laboratory, which enables it to fulfil its broad social mission to its local communities. We now illustrate this by way of embedding the 'local' at two levels of analysis: the city, and the region.

Global strategies and the city

Universities have great potential to make more of their place in the city as part of their education and research offering, and how knowledge is situated within these geographical contexts. Somewhat paradoxically, at a time when information technology and social media have enabled us to transcend physical separation with unprecedented ease, the strength and global reputation of public research universities depends increasingly on the quality of their local environment and the strength of their local partnerships. Indeed, this is why we ultimately see the recent and sudden migration to remote, on-line learning amid the COVID-19 pandemic as a temporary intervention rather than a fundamental new direction for the sector.

At the same time, the economic and social success of cities depends increasingly on their ability to leverage the intellectual resources of their local universities (Gertler, 2016). Civic authorities and universities often have overlapping interests in various aspects of the physical, economic, and social dimensions of civic life (Goddard, Hazelkorn, & Vallance, 2016). For example, universities are significant developers of infrastructure and often seek to develop land (e.g. to accommodate growing student needs or high-end research infrastructure) while also preserving amenity – an important consideration for city planners.

One area where collaboration between universities and cities has been growing steadily in recent years is through supporting economic growth via the creation of entrepreneurial ecosystems (Stam, 2015). For example, Katz and Wagner (2014) have argued that "innovation districts" are an important mechanism driving and shaping a new economic geography in America anchored around knowledge intensive sectors. They define districts as "geographic areas where leading-edge anchor institutions and companies cluster and connect with start-ups, business incubators, and accelerators". Although the United States has some obvious examples such as Kendall Square in Cambridge (near MIT), this model is not limited to the US. London, for example, has a variety of universities each of which have developed different areas of geographically-embedded specialization. For example, the strategies of large institutions like Imperial, University College London, and Kings College London differ from more specialist universities like the London School of Economics, City University of London & Royal College of Art in terms of their engagement with the entrepreneurial community. This creates different types of knowledge related to disciplinary research strengths and institutional cultures. Imperial's strategy, for example, aims to stimulate the

development of a STEM-based innovation district in west London around a new campus, emulating the Kendall Square model. However, UCL's involvement in the Knowledge Quarter has much more of a focus on medical and life sciences (e.g. pharmaceuticals, medical devices). City's Cass Business School, by contrast, reflects strengths in finance in particular. It is located in the Shoreditch area on the edge of the City of London, and has achieved strong engagement with fintech and business services entrepreneurship.

This model has also gone beyond London. In 2012, for example, the UK developed a series of city-regional deals that have been aimed at supporting economic growth, skills development, affordable housing, and new infrastructure. The University of Edinburgh, for example, has worked closely with the city to create the "South East Scotland City Regional Deal," which committed £1.1bn over 10 years into data-driven innovation. In Manchester, which is home to five universities, investment has flowed into city apprenticeships, infrastructure, and the creation of several hubs to focus on areas such as low carbon technologies. The University of Manchester itself recently made one of the largest strategic investments in the UK around a new £1.5 billion innovation district spanning 26 hectares in the centre of the City. The aim is to propel this district to be a European leader in life sciences and pharmaceuticals.

Meanwhile, the University of Toronto has played an increasingly prominent role in stimulating the development of a thriving innovation district adjacent to its St George campus, leveraging the university's distinctive strengths in machine learning, biomedical science, and clinical medicine. In doing so, it has forged a strong relationship with nearby innovation partners such as its nine affiliated hospitals, the MaRS Discovery District and the Vector Institute for artificial intelligence. Similar dynamics are unfolding nearby its two newer campuses in Mississauga and Scarborough.

Similar strategies such as the creation of the Central to Eveleigh Corridor in Sydney, and emerging initiatives in central Chicago and Detroit, in which local universities are playing an 'anchor tenant' role, illustrate the extent to which this model is taking hold globally. The same dynamic underlies recent proposals to kick-start the formation of new innovation-led growth centres outside established regions such as Silicon Valley and Boston (Atkinson, Muro, & Whiton, 2019). They also reflect not only the creation of new initiatives, but the evolution and transformation of old areas and local labour market conditions into different and distinctive place-based business communities and entrepreneurial systems.

What each of these examples has in common is a strong or emerging set of research partnerships between their local universities and external partners of both local and global origin. In this way, the universities have deployed trans-local strategies to enhance both local prosperity and the success of the city's economic and knowledge-producing actors on the global stage.

Global strategies and the region

Another domain where university strategies in research and teaching can be enacted at the local-global nexus is through their engagement in regional policy. In particular, this has been enacted when universities have joined together around a shared mission to form a network that promotes a research or teaching agenda. This combined effort helps these universities lobby for funding and support from regional authorities that goes beyond a city site or

campus and, as a cluster of institutions, enables them to compete more effectively on the global stage with internationally significant partners.

A strong example of this was the work of the Regional Development Agencies in the United Kingdom through the 1990s. These bodies worked closely with regional universities to bring university strategies together around a set of missions related to specific regional challenges and opportunities (Goddard & Vallance, 2013). This led to the formation of the so called 'Russell Group' of universities, which worked together on promoting both 'excellence of research on a grand scale' and 'driving cutting-edge innovation'.

Through this combined effort, the Russell Group has had a strong influence on higher education policy. For example, through criticism of the United Kingdom's Research Excellence Framework, 'research impact' was introduced into the 2014 research evaluation in order to give greater recognition of the effect of research and teaching on 'the economy, society, culture, public policy, health, environment, or the quality of life beyond academia' (Goddard & Vallance, 2013: 108). This, in turn, has become a performance measure used by the government in calculating its annual funding contribution to the university. Building on this agenda, UK Research England has also sought to bring universities together around a focus on regional industrial strategy. Partly as a response to Brexit, this has led to explicit funding to enhance place-based specialization, where universities attend to opportunities to further develop an existing regional economic base. The 'place-agenda' for universities has thus become increasingly prevalent in UK government policy, notably in linking the role of universities in the UK regions to a 'levelling-up' of uneven UK economic development between the greater London region and other parts of the country (CaSE 2020).

This regional focus has taken form in Australia as well. Similarly, as in the UK, the Australian Research Council has shifted its evaluation process to include Impact & Engagement assessments. This was similarly championed by regional university networks, such as the Australian Technology Network of Universities and the Innovation Research Universities. Several other sources of new funding have emerged with an impact agenda at their heart, such as in translational medical research (the Medical Research Future Fund) and defence industries funding (Next Generation Technology Fund and the Defence Innovation Hub).

These initiatives are relevant because they give regional cohesion and focus to university strategies. In the case of defence, for example, the Defence White Paper in Australia made a specific commitment to build sovereign capability for defence-related R&D in Australia. This has often taken a regional focus, with submarines and ship building emerging in South Australia, the Fisherman's Bend development in Victoria playing an important role for the Defence Science and Technology Organization, and the Queensland government making a large contribution to trusted autonomous systems via Australia's first Defence Cooperative Research Centre in world-leading autonomous and robotic technologies. This funding is not only intended to channel investment into different regions within Australia but also to build networked capability within these geographies. For example, defence funding has placed emphasis on large, international defence prime contractors working with regional, small-medium sized enterprises and multi-university research teams to build R&D capability in areas of excellence. As these domains come together, the objective is to enable these combined entities to have an outsized effect on an international scale, while at the same time

fostering regional prosperity. The NSW Chief Scientist's research networks, such as the NSW Smart Sensing Network, is one such endeavour. It aims to support collaboration that brings economic and social benefits to New South Wales whilst also attracting international industry into the region.

Conclusion

Universities face competing demands to be both local and global. We suggest that these tensions also present opportunities, as universities re-imagine their missions through the lens of a trans-local identity. This geographic re-imagination prioritizes the place in which universities are located and, at the same time, offers a way to accentuate institutional distinctiveness and international profile amidst growing global competition for academic and student talent.

As multi-scalar geographical entities, universities need to consider what the local-global nexus affords in terms of new types of knowledge-creation and opportunities to develop and enhance distinct institutional strengths. This is true both in terms of the kinds of research partnerships they can foster but also the kinds of student experiences and opportunities they can enable. The uniqueness of universities in place is increasingly dependent on their particular constellation of trans-local connections over time and how these leverage their home campus context. Global and local elements must be thought of as complementary, with universities pursuing both strategies in an integrated and balanced way. If a university moves too far away from its location and place by weakening its commitment to advancing local opportunity and prosperity, it risks losing its distinctiveness, or facing excessive costs financially and reputationally (Gertler, 2018). An example of this is the University of New South Wales' ill-fated venture to set up a Singapore campus, which closed after one semester due to economic challenges. Alternatively, an exclusive focus on addressing local needs can diminish a university's international profile and standing, in the face of global competition.

As we highlight above, these tensions are not new. However, we argue they are particularly salient for public universities in the current climate, as they respond to the growing backlash against globalisation. With declining trust in academic institutions and growing inward focus of government expenditure, the ability of university strategy to master the local-global nexus and forge a sustainable and unique trans-local identity will allow a university to distinguish itself not as a place where students or academics 'end up' but a place they 'go to' because of its distinctive geographically-informed attributes. How this tension will further manifest itself in the context of the Coronavirus pandemic is not yet clear. But with the looming disruption of international student mobility, and the urgent need for national governments to address domestic economic and social challenges, these global-local tensions are likely to be amplified in the coming years.

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