

A Note From the Guest Editor . . .

We naturally think of institutions of higher education as places of teaching and learning. However, throughout the nation and world, the economic engine function of colleges and universities is becoming increasingly visible.

“College towns” have been around for centuries. Our contemporary version of institutions of higher education driving local economies can be found in even the largest of urban centers. In most major cities, colleges or universities are among the largest local employers. Even in New York City, the seventh and eighth most significant employers are New York University and Columbia University respectively. They contract with businesses of every imaginable type, and their faculty, staff, and students spend vast amounts of money in local areas.

These dynamics have naturally arisen out of the changing global economy, as we have been rapidly shifting toward knowledge as the core product in many industries—industries which are not driven by manufacturing or grounded in geography. Institutions of higher education touch every sector, and with their natural emphasis on knowledge, the pipeline between colleges or universities and industry is becoming less cluttered. We are seeing an increase in universities and their faculty sharing in patents and even universities themselves incubating an increasing number of businesses.

Businesses are beginning to deliberately set up shop in close proximity to institutions of higher education, as they presume access to a well-trained potential workforce. Indeed, employers can build strong relationships with institutions of higher education that can provide them a steady stream of interns and graduates for years. Whether they are from the local community or not, students sometimes develop an attachment to the location of their college or university, leading them to make a living nearby after graduation.

Ironically, in an economy that is becoming less reliant on geographical location, institutions of higher education are still grounded, or “sticky capital,” as I like to say. They don’t get up and go like other industries; they planted seeds quite a while ago in many locales, and they have subsequently developed deeper and stronger roots. Even in the face of the growing online higher education industry, an actual replacement for the campus-based approach does not appear to be on the horizon.

In fact, a visible trend in many urban areas is the capital expansion—a higher education sprawl of sorts—of colleges and

universities. The requisite growth of higher education, given the aforementioned external demands, has stimulated an explorer's mentality among college presidents, administrators, and trustees. Venturing into new frontiers for new buildings—spaces for research in growth areas, such as biotechnology—is in vogue. These new developments can bring more subcontracts, more jobs, more businesses, and overall greater local spending.

That institutions of higher education are among the key economic drivers in urban and other economies today is undeniable. However, economic driving is not always equitable. It is often not accidentally equitable, and usually requires a conscious commitment to ensure that the benefits of such large-scale economic development spread as much to those who are not already well positioned to enjoy the fruits of expansion.

This brings us to “engagement,” the focus of this journal. The marriage between engagement and economic driving is the topic of this particular issue. Through local engagement as a conscious commitment, the economy of higher education can make greater contributions to cities, regions, and neighborhoods. While the presence of an institution of higher education might carry opportunity, the “ivory tower” mentality can construct walls around it. Have you seen a dilapidated neighborhood in close proximity to a wealthy university? The spread of opportunity is not automatic. I imagine you've seen a university that is impenetrable to local high school students as well.

One very visible example of the limited dispersion of resources on campuses has been the precarious salary and benefits of employees, particularly in positions such as groundskeeping, food service, and entry-level clerical positions. Higher education has moved toward lower labor costs but has become willing to provide very high salaries and benefits at the top. Indeed, the tie between business and higher education is more than a partnership. Increasingly, institutions of higher education are businesses, operating like large corporations.

However, this trend simultaneously sprouts alongside the growing student activism to push universities and colleges to provide better salary and benefits packages to employees and break ties with companies thriving on sweatshop labor. It is also coexisting with a burgeoning national and international movement to encourage higher education–community partnerships that leverage resources to tackle critical social issues.

While these trends swirl throughout higher education and society, a certain cohesion is missing. For example, there is no national policy agenda to encourage higher education to apply its resources to improve localities and regions—a contemporary land grant. In general, government support for higher education has declined in the United States. One reason for the strengthened relationship between higher education and private dollars is the diminishing concept of “public” higher education.

These various angles around higher education and economies are explored in the pages that follow. Mel Hill, the editor, and I, as guest editor, wanted to put together an issue that explores the numerous different dimensions of institutions of higher education as economic engines. Overall, this issue is informative about a number of different practices and strategies to stimulate the economic power of colleges and universities to improve communities. This issue is also forward looking in that the intent is to spark thinking about what is possible.

I sometimes refer to institutions of higher education as “sleeping giants,” as it appears that so much of what can be done has only begun. When I walk on most campuses, I am surrounded by untapped potential—capital in every category—knowledge, human, economic, and beyond.

The conversation about how to tap resources in research and teaching, and through student voluntarism, we found, has been well under way. This work is critical. The additional contribution we wanted to make in these pages is further exploration around the economic engine function, which has not been as heavily theorized. In many ways, the economic engine function completes the picture of research, teaching, and service. And it is the combination of all of those dimensions, focusing on fulfilling the mission of institutions, but simultaneously looking to improve neighborhoods, cities, and regions, that can bring higher education to its highest potential relevance for contemporary society.

Enjoy this stimulating issue.

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