

World-Class Universities: Durable or Fragile?

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President Mukherjee, Chancellor Jindal, Vice Chancellor Kumar, excellencies, and distinguished guests.

I am honored to have the opportunity to say a few words this evening as we begin this important summit dedicated to the theme, “Why Emerging Economies Need World-Class Universities.” The program for this summit is exciting, as we will have the opportunity to illuminate our theme from many perspectives. I would like to express my personal gratitude to the sponsors of the summit, and in particular to President Mukherjee, for convening such a distinguished group of delegates.

My own perspective on this theme derives primarily from my experiences in three different countries. In the United States, I was fortunate to study, teach, and lead at the University of Michigan and Cornell University. In India, I have spent the past ten years serving on the board of Infosys, where we benefit from the opportunity to employ the graduates of world-class universities and to deploy research produced at world-class universities for the public good. And on 7 August 2009, I had the great pleasure of attending the dedication of the exemplary O.P. Jindal Global University, just as it prepared to receive its first community of faculty, staff, and students. Finally, I have spent the past seven years living and working in China, helping first to create the Peking University School of

Transnational Law, and now NYU Shanghai, with a mandate to develop them each into world-class institutions.

This evening I would like to explore a fundamental question: Are world-class universities fragile, or are they durable? Let me phrase it more precisely. A world-class university demands a complex ecosystem, and building such an ecosystem requires significant investments of financial and political capital. If a developing country makes those investments and gathers the critical mass of talent needed to launch such a university, what is the risk that those investments will go up in smoke when the climate changes ten years down the road?

Why does such a university require those investments? World-class universities are powered by world-class professors, and they work in what the economist Robert Frank calls a “winner take all” labor market. To attract and retain these talents, the university must pay globally competitive salaries. Even more importantly, the university must provide an intellectual environment for teaching and research that is politically expensive.

You see, world-class universities are hotbeds of creativity and disruptive innovation. Professors pursue research agendas based on their own curiosity, not government or institutional priorities. And students are taught to challenge received wisdom, to question authority, to take intellectual risks, and not to be afraid to make mistakes. World-class universities are therefore giving fresh ammunition to their critics every day. Their professors and their students are saying outrageously provocative things, sometimes things that are demonstrably false.

Now if the university is truly world-class, it includes a sufficiently diverse, sufficiently rigorous community of thinkers that foolish statements and worthless questions tend to provoke cogent responses. The process of academic deliberation moves forward and the world survives unscathed.

But that self-correcting process does not satisfy critics, who would rather see the university pursue a more direct path to wisdom. And so, invariably, there are calls to operate universities under stricter controls, with greater accountability to the government. Yet if such controls are

ever imposed, the talent will flee, and the university will not be world class any more.

The best answer to my question, “How stable is a world-class university?” is, therefore, “It depends.” It depends on whether the university was established with the kind of structural guarantees that will enable it to withstand the slings and arrows that will inevitably come its way. It depends on whether the university was established with the guarantees of intellectual independence, academic freedom, faculty autonomy, and support for investigator-led research that critics hate but that world-class professors require. It depends on whether these guarantees are structured so that a small group of vocal politicians and donors cannot simply kick them aside.

It also depends on whether the university was created with an enduring financial model that recognizes how a world-class university is a public good, one that can never be paid for exclusively through student tuition because its benefits accrue to more than just its students.

If these core guarantees are put in place, world-class universities can be the longest-enduring of human-created institutions. If not, however, I am afraid they will be nothing but hothouse flowers, things of beauty that might be destroyed the next time a cold wind blows their way.

Over the next two days we will be discussing why emerging economies need such universities. The reasons are intellectual, cultural, economic, and political, and they are plentiful. But to meet that need, emerging economies require visionary and courageous leadership – political leadership and philanthropic leadership. For all our sakes, let us hope that the political and philanthropic leaders of more and more nations will follow the examples of President Mukherjee and Chancellor Jindal and prove themselves worthy of that description.