UNIVERSITY'S KNOWLEDGE PRODUCTION ROLE IN THE TIME OF KNOWLEDGE ECONOMY AND COLONISATION: A REVIEW FROM CAPABILITY APPROACH LITERATURE

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ABSTRAK

Munculnya "ekonomi pengetahuan" sebagai paradigma dalam kebijakan ekonomi dan hadirnya pandangan Jurgen Habermas mengenai kolonisasi sistem atas dunia hidup menyentuh identitas dan misi universitas secara mendasar. Universitas sebagai locus *pengembangan pengetahuan demi pembangunan manusia berada di bawah hubungan-hubungan kekuasaan ekonomi dan politik yang cenderung membatasi peran universitas dalam menanggapi persoalan masyarakat. Artikel ini berupaya meninjau realitas itu dengan bantuan telaah literatur yang mempergunakan pendekatan kapabilitas menurut Amartya Sen. Argumen yang diajukan artikel ini adalah bahwa, dalam perspektif pendekatan kapabilitas, universitas sebagai* agent of change *dan bagian dari kekuatan* civil society *cenderung menjadi sub sistem dari kekuasaan pasar dan politik sehingga potensi ketercerabutan universitas dari konteks keberadaannya menjadi cenderung besar dan peran pengembangan pengetahuan yang disandangnya terdistorsi. Dibutuhkan jalan alternatif, khususnya dalam pembaruan institusional, untuk membongkar keterbatasan peran kontributif universitas sebagai lembaga pengembangan pengetahuan.*

Kata kunci: *pendekatan kapabilitas, universitas, ekonomi pengetahuan, kolonisasi.*

> "If the university does not take seriously and rigorously its role as a guardian of wider civic freedoms, as interrogator of more and more complex ethical problems, as servant and preserver of deeper democratic practices, then some other regime or menage of regimes will do it for us, in spite of us, and without us." (Toni Morrison, 2001: 278)

1. INTRODUCTION

The existence of university within given society has been widely seen as a centre of knowledge production by which broader society can take advantages in applying university's research results in order to alleviating social problems. However, some studies on higher education (Boni & Walker, 2016, 2013; Margison, 2014; Naidoo, 2003; Gibbons et al, 1994; among others) point out that higher education institutions' *modus operandi* (operating conduct) over recent years has a particular arena commonly known as "knowledge economy" by which universities are positioned as industrial factor in terms of economic growth mindset and market paradigm. According to Jurgen Habermas (1987), such condition is in relation to colonisation the lifeworld of civil society by the power of economy and state. Within such situation, the power of knowledge production, as traditionally promoted by universities, in the way to improve societal development seems to be in struggle.

This paper is going to provide an assesment associated with the phenomenon by using capability approach literature pioneered by Amartya Sen (1980, 1982, 1985, 1990, 1992, 1993, 1997, 1999, 2009). Based on Sen's (1999) concept on "development as freedom", the approach tends to evaluate development issues by the expansion of human freedoms rather than by economic growth, technical progress, or social modernisation (Dreze & Sen, 2002). Among a bulk of literature adopting capability approach, this paper selects to use some of scholars such as Martha Nussbaum, Melanie Walker, Alejandra Boni, Des Gasper, Severine Deneulin, Ingrid Robeyns, and David Crocker among others, beside of course Amartya Sen

himself. It is obvious that, from the capability approach's point of view, the tendency of the universities to become less capable in taking a part to realise societal life improvement is indicatively associated with the domination of structural conditions over universities as knowledge producer institutions.

The organisation of this paper is as follows. Firstly, the paper describes Sen's capability approach toward higher education issue in the midst of the emerging knowledge economy and colonisation. Secondly, this paper discusses prospective inquiry concerning universities' role in producing knowledge. Before conclusion, the third section gives an analysis on the possibility of arranging universities' institutional change to face more convincingly the emerging challenges and to improve their knowledge production role.

2. CAPABILITY APPROACH TO UNIVERSITY, KNOWLEDGE ECONOMY, AND COLONISATION

Capability, according to Sen (1993: 30), is "a person's ability to do valuable acts or reach valuable states of being; [it] represents the alternative combinations of things a person is able to do or be". This capability has strong relation to the concept of "human functionings" which by Sen is connected to the development of the well-being of a person. Different from Rawlsian primary goods as the space to judge well-being (Rawls, 1971) and the use of equality of resource approach (Dworkin, 2002), Sen emphasises a multidimentional perspective on human-being and human functioning concept which has Aristotelian roots (Sen, 1992, 1999). In his book *Inequality Re-examined* (1992: 39), Sen plainly states,

> "The well-being of a person can be seen in terms of the quality (the 'wellness', as it were) of the person's being. Living may be seen as consisting of aset of interrelated 'functionings', consisting of beings and doings. A person'sachievement in this respect can be seen as the vector of his or her functionings. The relevant functionings can vary from such elementary things asbeing adequately nourished, being in good health, avoiding escapable morbidityand premature mortality, etc., to more complex achievements such as being happy, having self-respect, taking part in the life of the community, and so on. The claim is that functionings are *constitutive* of a person's being,and an evaluation of well-being has to take the form of an assessment ofthese constituent elements."

Though seemingly having focus to individual issues of human development, Sen (1999: xii) refines such perception by declaring that there is "a deep complementarity between individual agency and social arrangements ... [and] the force of social influences on the extent and reach of individual freedom." Similarly, Nussbaum (1990: 207) asserts that "If we are so much as to survive as a species and a planet, we clearly need to think about well-being and justice internationally, and together". Furthermore, she declares that

> "The Aristotelian takes desire seriously as one thing we should ask about, in asking how well an arrangement enables people to live. But she insists that we also, and more insistently, ask what the people involved are actually able to do and to be and, indeed, to desire." (Nussbaum, 1990: 213)

Therefore the capability approach can be employed in narrower and broader ways. The narrower use of the approach is usually in terms of individual capabilities and functionings levels, meanwhile the broader one is frequently in connection with for example any policy designs and institutions' efforts (Crocker & Robeyns, 2009: 60-61). Toward this scope of the approach, the existence of university as higher educational institution and its effort as knowledge producer within certain sosial setting can be evaluated regarding its presence as an arena by which human freedoms are intended to be developed and its relationships with its partners within broader society are advanced in order to experiencing better societal quality of life in terms of "common good" (Boni & Walker, 2013).

The application of capability approach toward higher education is generally in connection to the critical view to the notion positioning universities as

industrial factor in terms of utilitarian mindset of economic competitiveness.Two observations can be provided here to give a brief illustration of it.

Firstly, universities face a new setting in order to be still autonomous and critical under the term and framework of "knowledge economy", originated in the 1960s, promoted by international organisations such as OECD (1996, 2004) and World Bank (2003, 2007) as well as worldwide adopted by developed and developing countries, which replaces material production with knowledge production as the driver of economic growth. Responding to this condition, Rajani Naidoo (2003: 250) states,

> "The perception of higher education as an industry for enhancing national competitiveness and as a lucrative service that can be sold in the global marketplace has begun to eclipse the social and cultural objectives of higher education generally encompassed in the conception of higher education as a 'public good'."

The identity and mission of university, particularly in terms of knowledge provision, is changed radically. Gibbons et al (1994: 1) reveal that the traditional modes of knowledge production "generated within a disciplinary, primarily cognitive, context" become another mode which is "created in broader, transdisciplinary social and economic contexts". This new mode of knowledge production is then followed by inter alia the emergence of a new concept, namely the Triple Helix (Etzkowitz & Leydesdorff, 1995, 2000) which becomes a framework to the knowledge-based economic development and profit-oriented investments. Some scholars criticise this framework due to facilitating "commercialisation of research outputs" (Amir & Nugroho, 2013: 121) and excluding civil society from the program (Rigby et al, 2012). In this sense, it is clear that the new mode of knowledge production, as Naidoo states, tends "to eclipse the social and cultural objectives of higher education".

Above assessment is essentially in a relation to human capital theory pioneered by scholars such as Gary Becker (1993) and Theodore Schultz (1963). Referring to their ideas, Robeyns (2006: 72) illustrates that

> "Human capital theory considers education relevant in so far as education creates skills and helps to acquire knowledge that serves as an investment in the productivity of the human being as an economic production factor, that is, as a worker. Thus, education is important because it allows workers to be more productive, thereby being able to earn a higher wage. By regarding skills and knowledgeas an investment in one's labour productivity, economists can estimate theeconomic returns to education for different educational levels, types of education, etc."

Due to the objection associating with the economistic view of human capital theory, Sen (1997) invites those who have concerns to "go *beyond* the notion of human capital" and seeking for "a fuller understanding of the role of human capabilities". From this point of view, Sen links the human capabilities with "their direct relevance to the well-being and freedom of people, their indirect role through influencing economic production, and their indirect role through influencing socialchange" (Sen 1997: 1960).

The *second* challenge of universities within the new era is related to the phenomenon of colonisation as conveyed by Jurgen Habermas (1987). According to Habermas, the lifeworld is colonised by the systems of economy and state which strongly foster instrumentalism, including instrumental rationalisation of knowledge production by higher education institutions. Due to the notion that lifeworld is "the unquestioned ground of everything given in my experience, and the unquestionable frame in which all the problems I have to deal with are located" (Habermas, 1987: 131), the colonisation of it creates a condition that "we lose the ability to make political decisions on matters that really concern us" (Fleming, 2010: 114). The losing ability of civil society, including its institutions such as universities, to contribute critical ideas concerning unintended situation which is undergoing within their contextual society is observed by Manuel Castells (1999) as a manifestation of a networked system under one economy experienced by all agencies around the world.

In this colonisation setting, university is entrenched in an arena where economic market and state – of which systematically supports economic

competitiveness – are dictating the way higher education institution expresses its academic contributions, specifically in terms of "efficiency and effectiveness" orientation (Harvey, 2005: 264). The globalisation of such trend situates education as a means of economic development wordwide, brings capitalism to be experienced as natural one, and by which critical power of those who are in education is domesticated, as pointed out by Peter McLaren (1999: 20) in the following.

> "It is a situation in which pedagogy is progressively merging with the productive processes within advanced capitalism. Education has been reduced to a subsector of the economy, designed to create cyber citizens within a teledemocracy of fast-moving images, representations, and lifestyle choices. Capitalism has been naturalized as common sense reality, part of nature itself, and the term social class has been replaced by the less antagonistic term socioeconomic status."

The existing wave of colonisation by the systems over the lifeworld which creates capitalism as common sense reality is blantantly connected by Henry Giroux (2002: 429) to neoliberalism regime which promotes "market-driven discourse" and "corporate culture [that] becomes both the model for the good life and the paradigmatic sphere for defining individual success and fulfillment", including in higher education issues. In saying that the adoption of such corporate culture in every aspect of human life produces "a massive violation of equity and justice", Giroux denotes what Terence Ball labels the condition of life as "marketopia".

> "The main shortcoming of marketopia is its massive and systematic violation of a fundamental sense of fairness. Marketopians who cannot afford health care, education, police protection, and other of life's necessities are denied a fair (or even minimally sufficient) share of social goods. Indeed, they are destitute of every good, excluded from a just share of society's benefits and advantages, pushed to the margins, rendered invisible. They are excluded because they lack the resources to purchase goods and services that ought to be theirs by right." (Ball, 2001: 78)

Giroux (2013) states that in order to resist to the development of marketopia which evidently influences the emergence of narrowing intellectuals' activities, namely existing "in hermetic academic bubbles cut off from both the larger public and the important issues that impact society", it is a fundamental duty for those who are in higher education institutions to be "public intellectuals" who struggle to define a university as "a democratic public sphere willing to produce an informed public, enact and sustain a culture of questioning, and enable a critical formative culture capable of producing citizens". This assessment is considerably similar with Sen's statements of "agency of the public" and "free and sustainable agency" as "a major engine of development" as follows.

> "In the making of public policy the agency of 'the public' has to be considered in different perspectives. The empirical connections not only illustrate the reach of concepts of justice and morality that people entertain, but also point to the extent to which value formation is a social process involving public interactions." (Sen, 1999: 280)

> "With adequate social opportunities, individuals can effectively shape their own destiny and help each other. They need not be seen primarily as passive recipients of the benefits of cunning development programs. There is indeed a strong rationale for recognizing the positive role off ree and sustainable agency – and even of constructive impatience." (Sen, 1999: 11)

In this new possibility of involvement, the disembededness of universities from their wider society can be restored due to such new "social arrangements". The way universities engage with public issues, according to Sen (1999: 41), is "decisively important in securing and expanding the

freedom of the individual". More broadly Sen explains the relationship between individual freedom and social arrangements as stated below:

> "Individual freedom is quintessentially a social product, and there is a two-way relation between (1) social arrangements to expand individual freedoms and (2) the use of individual freedoms not only to improve the respective lives but also to make the social arrangements more appropriate and effective." (Sen, 1999: 31)

3. THE PROSPECTIVE INQUIRY OF UNIVERSITY'S KNOWLEDGE PRODUCTION ROLE

Considering such two observations namely knowledge economy and colonised world which situates universities unproductive in executing their capability as knowledge producers for the broader society, Manuel Castells gives an entryway to be utilised in making further analysis by indicating that economies and societies are each autonomous system. "If the economies across the planet are linked, how can societies be analysed independently? Unless we assert that economies and societies are entirely autonomous systems ..." (Castells, 1999: 55). To be more specific, regarding the autonomy of the universities as a part of the civil society, Gerard Delanty (2001: 151) warns that "the identity of the university is determined neither by technocratic managerial strategies nor by purely academic pursuits". The scholar goes on to say that

> "[I]n the 'knowledge society' knowledge cannot be reduced to its 'uses' or to itself because it is embedded in the deeper cognitive complexes of society, in conceptual structures and in the epistemic structures of power and interests. The university, rather than being a passive actor drawn helplessly into the market, can be transformer of such value systems."

Therefore universities are challenged to (re)define their critical position within their actual context so that the transformation of the society becoming freer and more democratic is possible to do. In this sense, this paper argues that the capability and functionings of higher education institution within its broader society, which is currently excluded from the knowledge economy framework and being colonised by the systems of economy and politics, or which is living in what Deneulin et al (2006: 3) call as "unjust structures", are crucial to be examined, particularly regarding its existence as agency for human development in the time of knowledge economy and colonising systems. In other words, "the challenge for universities is to both resist the colonising forces of the system and to identify a critical role ...." (Fleming, 2010: 116).

As a part of civil society, universities have constitutive agenda to guarantee that civil society does rightly in sustaining the ability to determine the life society want to live through. Universities consequently are the arena where "all members of society may engage freely and fully in rational discourse and action without this process being subverted by the system" (Welton, 1995: 57). In enabling this agenda, Fazal Rizvi and Bob Lingard (2010) point out a link between capability approach and education policies by proposing an idea on "imagining other globalisations". This invented globalisations encourage alterations to the uncritical regard on globalisation. According to them,

> "The capability approach indicates a promising avenue for exploring an alternative imaginary globalisation, based not on a singular, individualistic, and economic view of human needs, but emphasising the importance of not only freedom of choice but also individual heterogeneity and the multidimentional nature of welfare and welfare needs. An emphasis on capabilities means that education policies can no longer overlook the importance of learning new ways of engaging with and responding to global interconnectivity and interdependence." (Rizvi & Lingard, 2010: 201)

To have some examples of what kind of universities are run under "an alternative imaginary globalisation" as Rizvi and Lingard mentioned above or of a new understanding of the existence of universities, this paper presents Tabel 1 below containing a list

of literature sources as indicated by Walker (2010) in her commentary corresponding to the breakthroughs. Universities as being understood within those sources have a general picture of embracing" their obligations to promote well-being and quality of life in society through their research and educative functions" (Walker, 2010: 493).

Table 1: The Idea of Universities' New Existence According to Some Scholars

Literature Source	The Idea of Universities' New Existence
Habermas (1989)	"Universities constitute a space for the 'lifeworld' to flourish against the colonising effects of the 'system' (money and power), which distorts communicative rationality."
Nussbaum (1997)	"the case for liberal higher education"
Kezar, Chambers, & Burkhardt (2005)	"higher education and the public good"
McLean (2006)	"the university and critical pedagogies"
Walker (2006)	"higher education pedagogies and capability approach"
Global University Network for Innovation (2009)	"the new dynamics of social responsibility for universities"
Unterhalter & Carpentier (2010)	"global inequalities and higher education"

Source: Walker (2010: 492-493), compiled in table by the author

By observing Sen's (2009) *The Idea of Justice*, Walker underlines a notion that, for Sen, the idea of universities' new existence as expressed by some scholars above on the list can be summarised in a phrase, and imagined as, namely "a human development university".

> "Such a university would have a pragmatic not a transcendental vision, in other words it seeks not to make a perfectly just university or society but to work in whatever ways possible to reduce injustice. ... [and] see themselves as having global links and associations not just from North to North but also North to South and South to South, so that more global justice and less poverty becomes the concern of universities across national boundaries." (Walker, 2010: 493)

In order to have a clearer picture regarding "a human development university", it is also useful to observe what Boni and Gasper (2012) identify as some characteristics of universities under human development approach by making a contrast to those of under market-centred paradigm. Table 2 below is constructed and developed from their identification.

Resonating to Rizvi's and Lingard's concept of "imagining other globalisations", Boni and Gasper (2012) underline a contrasting factor of such characteristics by presenting a term namely "a model of the world" of which universities intend to respond to and emphasise the value of universities'

Table 2. The Characteristics of Universities

	Market-centred Paradigm	Human Development Approach
The Function of the Universities	1) "to generate knowledge that is useful for business and the state and to train people to work for business enterprise and the state". 2) "the university should limit itself to teaching and research adjudged valuable by funders, and not focus on the roles of wider service to society and of social critique".	1) "the role of preparation for participation in public reasoning". 2) "the role of preparation of emotionally enriched and matured persons, able to recognize, engage and take up responsibilities". 3) "the role of provision of guidance for analyses about the responsibilities and potential contributions of universities them selves"

	Market-centred Paradigm	Human Development Approach
The Assumptions behind the Model	1) "human fulfilment centres on the acquisition and consumption of commodities". 2) "Markets never significantly interfere with and compromise the operation of their environments, namely the state, the knowledge sector, the family, the natural environment, and the system of social norms."	1) "a plurality of values, not only the values of economic utility". 2) "a human-wide concern and solidarity, as in human rights philosophy – the field of reference is all humans, wheresoever in the world, and in particular all those affected by one's actions" 3) "It recognises the normality and centrality of interconnections – side effects of markets mean that market calculation is insufficient even if we only use a value of economic utility".

Source: Boni & Gasper (2012), developed by the author

responsibilities expressing in their particular activities and facilities such as (1) teaching, (2) research, (3) social engagement, (4) governance/university policies, and (5) university environment.

> "If we do not accept a model of the world in which the only function for the business enterprise is to make profit, and we instead accept wider corporate social responsibilities, correspondingly we are unlikely to find acceptable the model of the university that accepts only narrow responsibilities." (Boni & Gasper, 2012: 456)

The way universities expressing their responsibilities within their circumstances succinctly articulates Sen's (1999) conception on agencies of societal arrangements in enhancing human development, declares them as universities' social ethics (Crocker, 2005), or, in terms of urban issues as a context of the matter, poses the combination of "the right to the city" notion and capability approaches developed by Deneulin (2014). In his own words, Sen states

> "Societal arrangements, involving many institutions (the state, the market, the legal system, political parties, the media, public interest groups, and public discussion forums, among others) are investigated in terms of their contribution to enhancing and guaranteeing the substantive freedoms of individuals, seen as active agents of change, rather than passive recipients of dispensed benefits." (Sen 1999: xii–xiii)

Particularly in the way universities provide and facilitate research (knowledge production), social engagement (to some point knowledge diffusion), and governance/university policies (including knowledge circulation policy), Boni and Gasper (2012: 463-464) mention some aspects of specific human development values which can be considered as indicators in evaluating the degree of universities' existence as agents of change for the society. Although teaching activity and university environment offer some information as indicators, this paper views that both points are excluded from here due to their additional features concerning the main topics of the consideration namely knowledge production of the universities. Table 3 below is excerpted from the scholars' table on "matrix of human development values and university activities".

Tabel 3: Matrix of Human Development Values and University Activities
(Research, Social Engagement& Governance/University Policies)

Human Development Value	University Activity		
	Research	Social Engagement	Governance/University Policies
Well-being (includes autonomy, critical thinking; reflexivity, emotions, feelings, spirituality, self-esteem, initiative, creativity, physical fitness, etc.)	1) Research that questions theoretical frameworks 2) New opportunities for research in terms of grants, programmes	1) Public access to university facilities (libraries, university buildings) 2) Adult learning facilities	1) Good policy of salaries and promotions for staff and faculty 2) Well-being programmes 3) Good policy of grants to to graduate and postgraduate students
Participation and Empowerment (includes agency, social transformation)	1) Co-creation of knowledge 2) Co-decision in the research themes 3) Research themes relevant for social change 4) Participatory research 5) Participatory mechanism to select research priorities	1) Academia/Civil Society networks 2) Student engagement (voluntary work; collaborative projects) 3) Faculty engagement (research centres in collaboration with communities; staff with social engagement as a part of their work) 4) Public engagement events	1) Participation in the definition of university mission, strategic plans, elections, boards of governance that include internal and external actors 2) Promotion policies that reward social engagement 3) Public debates 4) Time preserved for cultural and social activities 5) Incentives for students and staff for community engagement
Equity (social justice) and Diversity (learning between different cultures and identities)	1) Benefits of research to society 2) Considering cultural and social differences 3) Funds for research themes with low economic profits	1) Technology transfer 2) Contributions to local economy and social cohesion (jobs created among excluded sectors; economic activities; business advisory services) 3) Prizes 4) University activities addressed to preserve local cultures and languages 5) Activities given to community organizations	1) Equitable policies for recruitment 2) Equitable access to university for minority and excluded groups (financial assistance, etc.), low-income groups 3) Excluded group representation 4) Attention to local languages 5) Budget allocation for human development activities 6) Access to students with disabilities, pregnant students, students with children 7) Mechanisms of accountability
Sustainability (global issues; holistic perspectives; long-term perspectives; interdisciplinarity)	1) North–South networks 2) Interdisciplinary research 3) Research themes relevant for global issues	1) International links 2) International cooperation programmes	1) Corporate social responsibility in the university's investments and other practices 2) Environmental policies 3) International development cooperation programmes and budget allocation

Source: Boni & Gasper (2012: 463-464), excerption

In evaluating universities' existence as agencies in terms of knowledge production and the surrounding issues, as for instance suggested by Boni and Gasper above (by the indicators namely research activities, social engangements of higher education institutions and universities' governance or policies), Sen in "How to Judge Globalism" (2002) signals that the focus of the matter of evaluation is "the inequity in the overall balance of institutional arrangements" and not the globalisation itself as a phenomenon. The complete quote is as follows.

> "The central issue of contention is not globalisation itself, nor is it the use of the market as an institution, but the inequity in the overall balance of institutional arrangements – which produces very unequal sharing of the benefits of globalisation. The question is not just whether the poor, too, gain something from globalisation, but whether they get a fair share and a fair opportunity. There is an urgent need for reforming institutional arrangements – in addition to national ones – to overcome both the errors of omission and those of commission that tend to give the poor across the world such limited opportunities. Globalisation deserves a reasoned defense, but it also needs reform." (Sen, 2002)

Therefore, as agencies of improving people-centred development, universities should be more observing their patterns of action within particular contexts in developing and delivering freedoms rather than too much noticing any externalities. This account is considerably in accordance with Sen's assertion in *Inequality Reexamined* (1992: 22-23) that "liberty is among the possible *fields of application* of equality, and equality is among the possible *patterns* of distribution of liberty" (italics by Sen). In this sense, the characteristics of agencies relating to their specific actions, to which evaluation in terms of capability approach being applied, have been listed by Crocker and Robeyns (2005: 80) in the following.

> "A person (or group) is an agent with respect to action X, to the extent that the following four conditions hold (the labels are ours and not Sen's): (i) *self-determination*: the person decides for himself or herself rather than someone or something else making the decision to do X; (ii) *reason orientation and deliberation*: the person bases his or her decisions on reasons, such as the pursuit of goals; (iii) *action*: the person performs or has a role in performing X; and (iv) *impact on the world*: the person thereby brings about (or contributes to bringing about) change in the world."

In my opinion, universities' patterns of action in given settings then is strongly related to the way universities as knowledge producers institutionalise their identities and missions within their own broader societies. To some extent, the crucial issue in this regard is the effort of how getting higher education institutions right does (by evaluating their self-determination, reason orientation and deliberation, action and impact on the world) within their circumstances. The next section is a brief elaboration on the opportunity of arranging universities' institutional change to meet more decisively with the actual challenges and to make an improvement as knowledge producers.

4. INSTITUTIONAL CHANGE ARRANGEMENT OF UNIVERSITY'S KNOWLEDGE PRODUCTION ROLE

In this section this paper seeks to develop new universities' institution of producing knowledge in the time of knowledge economy and colonisation to enhance human development. To the issue of institutions, Sen (1999: 142) acknowledges that

> "Individuals live and operate in a world of institutions. Our opportunities and prospects depend crucially on what institutions exist and how they function. Not only do institutions contribute to our freedoms, their roles can be sensibly evaluated in the light of their contributions to our freedom."

Given that institutions play "the rules of the game in a society, or more formally, are the humanly devised constraints that shape human interaction" (North, 1990: 3), Susan Johnson, under the capability approach, declares that the rules and norms "enable human interaction to take place in all spheres of social, economic, political and cultural life" (Johnson, 2009: 163). Meanwhile, based on Ricoeur's (1992: 194) definition of institution, that is "the structure of living together as this belongs to a historical community, a structure irreducible to interpersonal relations and yet bound up with these", Deneulin (2008: 111) explains that "structures of living together can be defined as structures which belong to a particular historical community, which provide the conditions for individual lives to flourish, and which are irreducible to interpersonal relations and yet bound up with these".

To the observation that the social arrangement of knowledge economy and the world that is colonised by the systems of economy and politics create a particular environment of life in which human beings "seem to have no other option but furthering the injustice" (Deneulin et al, 2006: 7), higher education institutions as the respective gound of human capability development and the social involvement arena of "public intellectuals" are challenged to make relevant changes related to their institutional arrangements. On this assessment, it is imperative Toni Morrison's (2001: 278) warning as stated in the beginning of this paper:

> "If the university does not take seriously and rigorously its role as a guardian of wider civic freedoms, as interrogator of more and more complex ethical problems, as servant and preserver of deeper democratic practices, then some other regime or menage of regimes will do it for us, in spite of us, and without us."

The main obstacle in terms of institutional arrangement issues universities are experiencing todays, of which this paper has concern, is the disembeddedness of them as an integral part of the society life as of what Karl Polanyi (1944) has investigated about the relation of market and society. Because of the growing phenomenon of that universities as knowledge producers play a role under the economic growth framework which tends to exclude society, this paper argues that a more socially arrangement regarding knowledge production of the universities is likely to be enhanced further. On this argument, it is considered that "self-regulating market" by which knowledge economy is taken advantages is urgent to be changed to a more "socially regulating" one in terms of universities' knowledge production issues. Therefore, there is a move from an economistic institutionalisation of knowledge production to a non-economisticone, or more accurately to a more holistic institutionalisation.

To do so, in making a link between the capability approach and institutional theories, this paper is going to recommend an institutionalisation of universities' knowledge production that stimulates "the potential for building more satisfying cultural and institutional explanations of developmental outcomes that are central to capability expansion and also critical to economic growth" (Evans, 2010: 126). It means that the research activities, social engagements and governance of which knowledge is produced and delivered by universities is in a consequence intentionally constructed under the way of more democratic and people-friendly strands in order to maintaining embeddedness of higher education institutions to their society.

Inspired by Nussbaum's (2001) "fragility of goodness", Jon Nixon assert's the effort of building institutions which by intention serve humanity and justice. He has this to say:

> "A managerial perspective that denies our frailty and vulnerability and seeks, by implication, to redefine humanity in terms of some notion of perfectibility and invulnerability is doomed to failure. It renders our institutions inhuman and in so doing puts at risk the civil society of which those institutions are an essential component."(Nixon, 2008: 119)

In doing so, Nixon goes on to say that the values of relationship, mutuality, and reciprocity in any programs by which "the quality of civil association in any institution" is going to be examined. Nixon maintains that

> "[I]nstitutional well-being isdependent not only on organisational structure, but

> also on the well-being of the individuals involved and the quality and sustainability of the associations they form with one another. *Good* institutions are, from this perspective, constructed around good relationships that in turn are based upon the mutual recognition of equal worth and the reciprocity of trust that such recognition generates. Moreover, *good* institutions become *better* institutions through the growth of mutuality and reciprocity at the level of the inter-personal. The quality of civil association in any institution is, therefore, a significant indicator of the well-being of the institution as a whole". (Nixon, 2008: 118)

The initiative to build more human social arrangements in preventing inhuman settings is actually happening in an environment that market mechanism remains working and therefore it is likely to be impossible to have a totally new social arrangement (Sen, 1999: 250, 253). Responding to this condition, Sen considers that "the politics of social consensus" and "public discussion and interactions" linked to the idea of democracy is needed to be advanced due to its potentials in providing arena to develop people's freedom, as stated below.

> "[T]he politics of socialcon sensus calls not only for acting on the basis of given individual preferences, but also for sensitivity of social decisions to the development of individual preferences and norms. In this context, particular importance has to be attached to the role of public discussion andinteractions in the emergence of shared values and commitments."(Sen, 1999: 253)

The institutionalisation of universities' knowledge production with a consideration to the capability approach therefore requires assumptions that "the politics of social consensus" and "public discussion and interactions" or in Habermas's (1987) term stated as "communicative action" are secured and developed within any research activitiesand the related issues. In other words, knowledge production activities by higher education institutions needs to have a regard to the importance of "social regulations" or any norms which is vividly existing among and lived by people within given social contexts. To some degree it means that in doing research universities have to have first a self-criticism to what "governance" influencing their activities and what kind of relationships occuring to the universities' existence within their circumstances.

In view of policy issues generated by anthropologists as studied by Cris Shore and Susan Wright (1997), it is intriguing that the impact of policy formulation coming from research is going to be more fruitful when social metaphors and the freedom of the people are considered appropriately during the program and when the room for people's contribution in creating social order is more expanded.

> "Policy has a more diffuse impact when, through metaphors of the individual and society, it influences the way people construct themselves, their conduct and their social relations as free individuals. We use 'governance' to refer to the more complex processes by which policies not only impose conditions, as if from 'outside' or 'above', but influence people's indigenous norms of conduct so that they themselves contribute, not necessarily consciously, to a government's model of social order". (Shore & Wright, 1997: 5)

Universities' knowledge production role within society in such setting is to some extent being transformed from seeing society as an object of universities' study to seeing the relationship between universities and society in a critical way. "The rules of the game in a society" or "structures of living together" within a historical community is going to be critically restored. Shore and Wright (1997: 11) assert that

> "It is no longer a question of studying a local community or 'a people'; rather, the anthropologist is seeking a method for analysing connections between levels and forms of social process and action, and exploring how those processes work in different sites – local, national and global."

Therefore, critical awareness to particular context matters significantly in knowledge production

of the universities, specifically when the knowledge is to be implemented to remedy social problems and cultivate a more human development.

5. CONCLUSION

This paper offers an assesment to the role of universities in providing knowledge to their broader society for enhancing human development. It is observed that such role has been operated under the emerging framework namely knowledge economy which tends to focus on economic competitiveness orientation. From another point of view, such role is also colonised by the systems of economy and politics.

The developing ideas coming from the literature based on the capability approach initiated by Amartya Sen are considerably being confronted to the economic-oriented and colonised circumstances that dominate structurally the universities' existence. The capability approach promotes a wider perpective as to advance freedom of the people as individuals and groups, including institutions such as universities. Relying on the perspective developed by the capability approach, universities as knowledge producers require being critical in doing their research as a way to foster capability expansion and to criticise the economic growth preference by triggering social consensus and reviving their embeddedness to the society.

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