

**GOVERNMENT INTERVENTION IN HIGHER EDUCATION  
IN SOUTH AFRICA: POLICY OPTIONS**

**by**

**EUSEBIUS UGOCHUKWU AKOR**

**Submitted in partial fulfillment of the requirements for the PhD in Public  
Affairs in the Faculty of Economic and Management Sciences**

**UNIVERSITY OF PRETORIA**

**STUDY LEADER: PROF. DR. E.J. VAN ROOYEN**

**AUGUST 2008**



## ABSTRACT

The **primary** objectives of this study are to consider the theoretical foundations of Public Administration and specifically public policy; the international context within which higher education in South Africa operates; the South African higher education context, policy processes and reasons for government intervention in higher education; how these reasons relate to the process of transforming higher education; the problems that have or could result from such intervention; the implications of mergers and incorporations for higher educational institutions; the state of higher education funding and its implications for institutional autonomy and academic freedom; the implications of government intervention in higher education in other areas such as the determination of what universities may teach and student admissions; the claim that the autonomy of higher educational institutions is under threat as a result of the extent of government intervention; and how to enhance cooperative governance between universities and the government.

The **secondary** objective is to identify the best policy options that the government and higher educational institutions could adopt to rectify identified problems, ensure a higher education system that meets the developmental needs of the country and protects institutional autonomy and academic freedom.

Government intervention in higher education in South Africa aims, among others, at reforming the system of higher education to reflect the new democratic order, setting the higher education system on a path of growth and development and meeting developmental needs. However, the higher education policies that the government established since 1994 have not adequately addressed the challenges of higher education, and the policies in fact contradict themselves in a number of aspects.

The policy objectives of the government's intervention in higher education will not be (fully) realised if the negative implications of the intervention measures, such as insufficient funding, the bankrupting of universities, alignment of institutional cultures, infringements on institutional autonomy and academic freedom are not adequately addressed in partnership with the management of higher educational institutions and their governance structures. Furthermore, the outcome of the restructuring of the higher education system depends on the abilities of universities to adequately resolve the challenges they confront and provide sound and strategic management.

## ACKNOWLEDGEMENTS

I want to thank almighty God, for giving me the courage, perseverance and ability to complete this project, which I started in 2001, especially in view of the various challenges I confronted. I am grateful that although I had to take time off from this project, I was able in that time to acquire another Masters degree, which I have already put to good use in the workplace.

It has not been easy for me to finish this project, during the course of which I have neglected a number of people close to me in order to make sufficient time available, including my daughter Thando Iffy Akor. I had to devote most of my spare time to this project, because what is worth doing at all is worth doing well and worth completing.

It is with a sad heart that I want to give credit to the late Professor Nico Roux, who passed away in 2006. I cannot believe that he succumbed to cancer. His death has reiterated the fact that the future is unknown. I am greatly indebted to him for his excellent supervision, scholarly advice, encouragement and expertise.

I want to thank my supervisor, Professor Enslin van Rooyen for his expertise, insight and guidance. His contributions, scholarly advice, in-depth and excellent supervision are invaluable and greatly appreciated. I thank Professor Chris Thornhill who read my thesis for his contributions, insight, advice and expertise. I am grateful for the invaluable knowledge and insight of the Director of the School of Public Management and Administration (SPMA), University of Pretoria, Professor Jerry Kuye and the other members of staff that lectured me during the first two years of course work.

Finally, I would like to thank my family and friends for their love and good wishes.

<b>TABLE OF CONTENTS</b>		<b>PAGE</b>
Title Page		1
Abstract		2
Acknowledgments		4
Table of Contents		5
List of Acronyms and Abbreviations		20
<b>CHAPTER ONE</b>		<b>24</b>
<b>INTRODUCTION AND RESEARCH METHODOLOGY</b>		
1.1	INTRODUCTION	24
1.2	MOTIVATION FOR STUDY	28
1.3	PROBLEM STATEMENT	29
1.3.1	Research Questions	30
1.4	FRAME OF REFERENCE	31
1.5	OBJECTIVE OF STUDY	32
1.6	RESEARCH METHOD AND DESIGN	33
1.6.1	Qualitative Research	33
1.7	DEFINITION OF KEY CONCEPTS	35
1.8	STRUCTURE OF RESEARCH	40
1.9	CONCLUSION	44

**CHAPTER TWO** 45

**A REVIEW OF RELEVANT LITERATURE ON PUBLIC ADMINISTRATION**

2.1	INTRODUCTION	45
2.2	PUBLIC ADMINISTRATION	46
2.2.1	The Boundaries of Public Administration	47
2.2.2	Generic Functions of Public Administration	48
2.2.3	Concluding Paragraph	52
2.3	UNDERSTANDING PUBLIC POLICY	52
2.4	THE POLICY-MAKING PROCESS	56
2.4.1	Factors Influencing the Policy-Making Process	56
2.4.1.1	Internal Factors:	57
	a) Conditions of Establishment	57
	b) Political Assignment	57
	c) Legality according to the State and Administrative Law	57
	d) Financial Means	58
	e) Abilities of Personnel	58
	f) Physical Facilities	58
	g) Managerial Style of the Head of Department	59
2.4.1.2	External Factors:	59
	a) Circumstances	59
	b) Policy Directions of Political Parties	59
	c) Pressure Groups, Interest Groups and Mass Demonstrations	59
	d) Research and Investigations by Commissions and Committees	60
	e) Personal Views of Public Servants and Political Office Bearers	60
2.4.2	Stages of Policy Formulation	60

2.4.2.1	Problem Identification	60
2.4.2.2	Agenda Setting	61
2.4.2.3	Formulation of Goals and Programmes	61
2.4.2.4	Policy Adoption	62
2.4.3	Institutions Involved in Policy Formulation	62
2.4.3.1	Legislative Institutions	62
2.4.3.2	Executive Councils and Committees	62
2.4.3.3	Commissions and Committees of Inquiry	63
2.4.3.4	Select, Standing and Joint Committees of Parliament	63
2.4.3.5	Cabinet Committees	64
2.4.3.6	Internal Auxiliary Services and Staff Units	64
2.4.4	Levels of Policy-making	64
2.4.4.1	Political Party Policy	64
2.4.4.2	Government or Cabinet Policy	65
2.4.4.3	Departmental Policy	65
2.3.4.4	Administrative Policy	65
a)	Personnel Policy	65
b)	Financial Policy	66
c)	Organisational Policy	66
d)	Procedural Policy	66
e)	Control Policy	66
2.4.5	Concluding Paragraph	67
2.5	POLICY ANALYSIS	67
2.5.1	Role Players in Policy Analysis	69
2.5.2	Forms of Policy Analysis	70

2.5.2.1	Incrementalist Analysis	70
2.5.2.2	Utilitarian Analysis	70
2.5.2.3	Prospective Analysis	70
2.5.2.4	Retrospective Policy Analysis	71
2.5.2.5	Integrated Policy Analysis	71
2.5.3	Process of Policy Analysis	72
2.5.3.1	Preparatory Phase	72
2.5.3.2	Theoretical Construction	73
2.5.3.3	Real Analysis	73
2.5.4	Ethics and Policy Analysis	73
2.5.5	Theory and Practice of Policy Implementation	75
2.5.5.1	Problems of Policy Implementation	76
a.	Reconstruction and Development Programme (RDP)	78
b.	Growth, Employment and Redistribution Strategy (GEAR) and Accelerated and Shared Growth Initiative for South Africa (ASGISA)	79
c.	Higher Education Policies	81
d.	Multiplicity of Participants and Multiplicity of Perspectives	81
e.	The Impact of Tight Fiscal Policies	83
f.	The High Skills Theory	84
g.	Equity Position	85
h.	Stratification Theory	87
2.5.6	Policy Monitoring and Evaluation	88
2.5.6.1	Evaluation Constraints	90
2.5.7	Policy Option Generation	92
2.5.7.1	Requirements for Generating Alternatives	92
2.5.8	Concluding Paragraph	94
2.6	CONCLUSION	94

## CHAPTER 3

96

### A CASE STUDY REVIEW OF TRENDS IN HIGHER EDUCATION

3.1	INTRODUCTION	96
3.2	INTERNATIONAL TRENDS IN HIGHER EDUCATION	97
3.3	GOVERNMENT INTERVENTION IN HIGHER EDUCATION – THE QUEST FOR AUTONOMY	99
3.4	FUNDING HIGHER EDUCATIONAL INSTITUTIONS	100
3.5	CASES OF GOVERNMENT INTERVENTION IN HIGHER EDUCATION	103
3.5.1	Nigeria	104
3.5.2	Britain	107
3.5.3	Brazil	108
3.5.4	Tanzania	109
3.5.5	Mongolia	111
3.5.6	Lessons Learnt	112
3.6	IMPLICATIONS OF AUTONOMY	114
3.7	MARKET-DRIVEN BASIS OF GLOBALISATION	116
3.7.1	Meeting contemporary economic challenges: the shift to an economic role for universities	116
3.8	MERGERS IN HIGHER EDUCATIONAL INSTITUTIONS	117
3.8.1	New British Universities (Former Polytechnics)	117
3.8.2	Land-Grant Institutions	119
3.8.3	Polytechnics in Finland	120
3.8.4	German Technical Universities and <i>Gesamthochschulen</i>	121
3.8.5	Lessons Learnt	123
3.9	THE ROLE OF THE STATE IN PROVIDING EDUCATION	125
3.9.1	Ensuring Quality Assurance in Universities	126
3.10	IMPACT OF GLOBALISATION ON A COUNTRY'S ABILITY TO PROVIDE EDUCATION	128

3.11	GOVERNMENTS AND CORPORATIONS	132
3.12	IMPACT OF WEAKENED SUPPORT FOR HIGHER EDUCATION	135
3.13	IMPROVING HIGHER EDUCATION	137
3.13.1	Concluding Paragraph	139
3.14	SOUTH AFRICAN HIGHER EDUCATION CONTEXT AND POLICY PROCESSES	139
3.14.1	INTRODUCTION	139
3.14.2	HISTORY OF HIGHER EDUCATION IN SOUTH AFRICA	140
3.14.2.1	Opposition to Apartheid System of Education	143
3.14.2.2	Demerits and Merits of Apartheid-era Education	145
3.14.3	CHALLENGES FACING HIGHER EDUCATION IN POST-APARTHEID SOUTH AFRICA	147
3.14.3.1	State of Higher Education in South Africa since the 1990s	148
3.14.4	GOVERNMENT INTERVENTION IN HIGHER EDUCATION	150
3.14.4.1	Transformation of Higher Education in South Africa	153
3.14.5	FOUNDATIONS OF THE NEW HIGHER EDUCATION FRAMEWORK	154
3.14.5.1	A Single Nationally Coordinated System of Higher Education	156
3.14.5.2	Increasing Access and Participation	158
3.14.5.3	Increased Responsiveness to Societal Needs	158
3.14.5.4	Programme Differentiation and Institutional Niche Areas	159
3.14.5.5	The Importance of Planning and Coordination	160
	a) National Plan	160
	b) Institutional Plan	163

3.14.6	NEW CHALLENGES IN THE HIGHER EDUCATION SECTOR SINCE 1994	163
3.14.6.1	Systemic Changes	163
3.14.6.2	Improved and Coordinated Governance	164
3.14.6.3	Higher Education Quality Committee	164
3.14.6.4	New Funding Arrangements and Planning	165
3.14.7	CONCLUSION	166

## **CHAPTER FOUR** 172

### **MERGERS AND INCORPORATION OF HIGHER EDUCATIONAL INSTITUTIONS IN SOUTH AFRICA**

4.1	INTRODUCTION	172
4.2	NATIONAL POLICY OBJECTIVES FOR THE MERGERS AND INCORPORATION	176
4.3	REACTIONS OF HIGHER INSTITUTIONS TO THE MERGERS AND INCORPORATION PROCESSES	177
4.4	UNIVERSITY OF PRETORIA	179
4.4.1	Introductory Paragraph	179
4.4.2	Incorporation of the Mamelodi Campus of Vista University into the University of Pretoria	179
4.4.3	How do Higher Education institutions feel about the Incorporation?	180
4.4.4	The Incorporation Process	181
4.4.5	Memorandum of Understanding	182
4.4.6	Memorandum of Agreement	183
4.4.7	Financial and Administrative Reorganisation	184
4.4.8	Transfer of Vista Funds to the University of Pretoria	185
4.4.9	Academic Programmes	185

4.4.10	Human Resources and Conditions of Service	186
4.4.11	Library and Information Systems	186
4.4.12	Dispute Resolution	187
4.4.13	Concluding Paragraph	187
4.5	TSHWANE UNIVERSITY OF TECHNOLOGY	188
4.5.1	Introductory Paragraph	188
4.5.2	The Merger between Technikon Pretoria, Technikon Northern Gauteng and Technikon North West	189
4.5.3	Determining the Official Address (Seat) of the New Institution	189
4.5.3.1	Motivation by Technikon North West (TNW) and Technikon Northern Gauteng (TNG)	191
4.5.3.2	Motivation by Technikon Pretoria	191
	a) Size and Shape of the New Institution	191
	b) Economic Growth and Regional Development Patterns	192
	c) Academic Leadership	192
	d) Research and Development (R&D)	193
	e) Access to Students	193
	f) Proximity to Position of (State) Power	193
	g) Safety of Staff and Students	194
4.5.4	Decision on the Seat of the New Institution	194
4.5.5	The Merger Process	194
4.5.6	Structure and Composition of Merger Teams	195
4.5.6.1	Interim Transitional Committee (ITC)	196
4.5.6.2	Joint Merger Team (JMT)	196
4.5.6.3	Institutional Merger Teams (IMT)	197
4.5.7	Key Performance Areas	197
4.5.8	Memorandum of Agreement	198
4.5.8.1	Memorandum of Agreement Principles	199
	a) Operational functionality and communication	199

	b) Severance packages	199
	c) Filling of posts	200
	d) Promotion of employees	200
	e) Employee remuneration	200
	f) Renewal of contracts	200
	g) The status of pipeline students	201
	h) Capital expenditure	201
	i) Academic and community related agreements	202
	j) Settling of disputes and arbitration	202
4.5.9	Concluding Paragraph	202
4.6	UNIVERSITY OF KWA-ZULU NATAL	203
4.6.1	Introductory Paragraph	203
4.6.2	Merger Fears	204
4.6.3	Power Struggle	204
4.6.4	The Merger Process	205
4.6.5	The Interim Council	206
4.6.6	Concluding Paragraph	208
4.7	IMPLICATIONS OF MERGERS AND INCORPORATION OF HIGHER EDUCATIONAL INSTITUTIONS	208
4.7.1	INTRODUCTION	208
4.7.2	UNIVERSITY OF PRETORIA	214
4.7.2.1	Introductory Paragraph	214
4.7.2.2	Implications of the Incorporation of Mamelodi Campus of Vista University into the University of Pretoria	214
	a. Administrative and Managerial Implications	215
	b. Institutional Culture	216
	c. Academic Planning, Research and Quality Assurance	217
	d. Human Resources and Conditions of Service	218
	e. Financial Management and Administration	220
	f. Subsidies, Tuition Fees and Student Accounts	220

	g.	Maintenance of Facilities	222
	h.	Information and Communication Technology	222
	i.	Academic Standard	222
4.7.2.3		Concluding Paragraph	223
4.7.3		TSHWANE UNIVERSITY OF TECHNOLOGY (TUT)	224
4.7.3.1		Introductory Paragraph	224
4.7.3.2		Implications of the Merger between Pretoria Technikon, Technikon Northern Gauteng, and Technikon North West	226
	a.	Financial Implication	226
	b.	Severance Packages	227
	c.	Harmonisation of Salaries and Conditions of Service	227
	d.	Fee Structures	228
	e.	Financial Growth Strategy	228
	f.	Proposed Faculty Structure for 2005	229
	g.	Programme Duplication	229
	h.	Technological Implication	231
	i.	Policy Variation and Academic Language Policy	232
	j.	Maintenance, Management and Upgrading of Facilities	233
	k.	Challenges with Student Development and Support	234
	l.	Cultural Audit of the Three Merged Institutions	236
	a)	Technikon North West	237
		i) Organisational Structure	237
		ii) Leadership and Management	237
		iii) Communication	237
		iv) Organisational Goal Integration	238
		v) Decision Making and Employee Participation	238
	b)	Pretoria Technikon	238
		i) Organisational Structure	238
		ii) Leadership and Management	238

	iii) Organisational Goal Integration	239
	iv) Decision Making and Employee Participation	239
	v) Communication	239
c)	Technikon Northern Gauteng	240
	i) Organisational Structure	240
	ii) Leadership and management	240
	iii) Communication	240
	iv) Organisational Goal Integration	241
	v) Decision Making and Employee Participation	241
4.7.3.3	Concluding Remark	241
4.7.4	UNIVERSITY OF KWA-ZULU NATAL	243
4.7.4.1	Introductory Paragraph	243
4.7.4.2	Implications of the Merger for the University of Kwa-Zulu Natal	244
	a. Financial Implication	244
	b. Accommodation and Transport	245
	c. Human Resources and Conditions of Service (COS)	246
	d. Duplicated Posts	247
	e. Duplication of Programmes	249
	f. Restructuring of Divisions	249
	g. A Shift to the College Model	250
	h. Transfer of Academic Coordination Functions	251
4.7.4.3	Concluding Remark	251
4.7.5	CONCLUSION	253

## CHAPTER FIVE

261

### AN ANALYSIS OF THE STATE OF HIGHER EDUCATION FUNDING: IMPLICATIONS FOR INSTITUTIONAL AUTONOMY AND ACADEMIC FREEDOM

5.1	INTRODUCTION	261
5.2	THE OLD HIGHER EDUCATION FUNDING FORMULA	262
5.2.1	Problems with the Old Funding Formula	264
5.3	DEVELOPMENT OF A NEW FUNDING FRAMEWORK	265
5.3.1	Feature of the New Funding Framework	268
5.3.2	Planning Process for the New Funding Framework	270
5.4	CATEGORIES OF NEW GOVERNMENT GRANTS TO HIGHER EDUCATIONAL INSTITUTIONS	271
5.4.1	Institutional Restructuring Grants	272
5.4.2	Earmarked Grants	272
5.4.3	Block Grants	272
5.5	SUB-CATEGORIES OF BLOCK GRANTS	273
5.5.1	Research Output Grants	273
5.5.2	Teaching Output Grants	273
5.5.3	Teaching Input Grants	274
5.5.4	Institutional Factor Grants	274
5.6	FUNDING PROBLEMS	274
5.6.1	Problems with the Quota System	275
5.6.2	Consequences of Reduced Funding	276
5.7	IMPLICATIONS OF FUNDING FOR INSTITUTIONAL AUTONOMY AND ACADEMIC FREEDOM	278
5.7.1	The Possibility or Impossibility of Absolute Autonomy	280
5.8	CONCLUSION	282

<b>CHAPTER SIX</b>		<b>285</b>
<b>POLICY OPTIONS AND CONCLUSIONS</b>		
6.1	INTRODUCTION	285
6.2	POLICY OPTION 1: SOUTH AFRICAN HIGHER EDUCATION POLICY CONTEXT	289
6.2.1	Introductory Paragraph	289
6.2.2	Challenges of South African Higher Education Policies	289
6.2.3	Policy Option	292
6.2.3.1	Higher Education Policy Formulation and Implementation	292
6.2.4	Concluding Remarks	292
6.3	POLICY OPTION 2: INSTITUTIONAL AUTONOMY AND GOVERNMENT INVOLVEMENT IN HIGHER EDUCATION	293
6.3.1	Introductory Paragraph	293
6.3.2	Institutional Autonomy and Academic Freedom	293
6.3.3	Justifications for Government Intervention in Higher Education	294
6.3.3.1	Justifiable Intervention	295
6.3.3.2	Unjustifiable Intervention	297
6.3.4	Policy Option	298
6.3.4.1	Balancing Institutional Autonomy and Government Involvement	298
6.3.4.1.1	Cooperative Governance	300
	a) Council on Higher Education (CHE)	301
	b) Higher Education South Africa (HESA)	303
6.3.5	Concluding Paragraph	303
6.4	POLICY OPTION 3: MERGERS AND INCORPORATION	304
6.4.1	Introductory Paragraph	304
6.4.2	Outstanding Problems on the Mergers and Incorporation	304
6.4.2.1	Excess Staff	305

6.4.2.2	Culture Integration	305
6.4.3	Policy Option	307
6.4.3.1	How to resolve the problems of excess staff and integration complexities	307
6.4.4	Concluding Paragraph	309
6.5	POLICY OPTION 4: FUNDING HIGHER EDUCATION	309
6.5.1	Introductory Paragraph	309
6.5.2	Funding Problems	310
6.5.3	Problems of Funding and Institutional Autonomy	310
6.5.4	Problems with the Quota System	311
6.5.5	Provision for Specific Institutional Needs	312
	a) Student Residences	312
	b) Multi-Campus Universities	313
6.5.6	Policy Option	313
6.5.6.1	Promoting Value-Driven Courses	313
6.5.6.2	Funding Higher Education	314
6.5.6.3	Need for Participatory Decision-Making in the Allocation of Funds	315
6.5.7	Concluding Remarks	317
6.6	FURTHER RECOMMENDATIONS	318
6.6.1	Introductory Paragraph	318
6.6.2	Establishment of the Office for Indigent Students at the Department of Education	318
6.6.3	Creation of a Higher Education Performance Bonus	319
6.6.4	Creation of a Special Budget	319
6.6.5	Establishment of a Higher Education Sentencing Framework	319
6.6.6	Establishment of a Higher Education Vetting Unit	320
6.6.7	Establishment of an Ethics and Integrity Office within all Higher Educational Institutions	321
6.6.7.1	The Ethics Strategy	322

6.6.8	Concluding Paragraph	324
6.7	SUMMARY AND CONCLUSION	326
7.	<b>LIST OF SOURCES</b>	341

## LIST OF ACRONYMS AND ABBREVIATIONS

AIPC	Academic Integration and Planning Committee
ANC	African National Congress
ASGISA	Accelerated and Shared Growth Initiative for South Africa
CHE	Council for Higher Education
CIC	Central Incorporation Committee
COS	Conditions of Service
COSATU	Congress of South African Trade Unions
DCVs	Deputy Vice Chancellors
DoE	Department of Education
EEPP	Employment Equity Plan and Policy
ERC	Electronic Resource Centres
F'SATIE	The French South African technical Institute in Electronics
FTE	Full Time Equivalent
GAAT	General Agreement on Trade and Tariffs
GEAR	Growth, Employment and Redistribution Strategy
GDP	Gross Domestic Product
GHS	<i>Gesamtochschulen</i>
HDI	Historically Disadvantaged Individuals
HESA	Higher Education South Africa
HEQC	Higher Education Quality Committee
HESF	Higher Education Sentencing Framework
HRS	Human Resources Strategy

ICT	Information and Communications Technology
IMF	International Monetary Fund
IMTs	Institutional Merger Teams
ITC	Interim Transitional Council
ITS	Integrated Tertiary Systems
JMC	Joint Merger Committee
JMT	Joint Merger Team
JMTT	Joint Merger Task Team
JST	Joint Specialised Teams
LIS	Library and Information Services
LMU	London Metropolitan University
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
NCHE	National Commission on Higher Education
NCOP	National Council of Provinces
NDA	National Development Agency
NECC	National Education Crisis Committee
NEPI	National Education Policy Initiative
NPHE	National Plan for Higher Education
NQF	National Qualifications Framework
NSFAS	National Student Financial Aid Scheme
NUOL	The National University of LAOS

OECD	Organisation for Economic Cooperation and Development
PFMA	Public Finance Management Act
QMS	Quality Management System
RDP	Reconstruction and Development Programme
SAP	Structural Adjustment Programme
SAPSE	South African Post Secondary Education
SAQA	South African Qualifications Authority
SAUVCA	South African Universities' Vice Chancellors Association
SCOPA	Standing Committee on Public Accounts
SET	Science, Engineering and Technology
SMS	Social and Management Sciences
SRC	Student Representative Council
TI	Technology Innovation
TLEI	Department of Telematic Learning and Education Innovation
TNG	Technikon Northern Gauteng
TNW	Technikon North West
TP	Technikon Pretoria
TT	Technology Transfer
TUT	Tshwane University of Technology
TVEI	Technical and Vocational Education Initiative
UDW	University of Durban Westville
UKZN	University of Kwa-Zulu Natal
UNESCO	United Nations Education and Scientific Organisation

UP	University of Pretoria
USA / US	United States of America
USSR	Union of Soviet Socialist Republic
VCs	Vice Chancellors
VISTA	Vista University Mamelodi Campus
WTO	World Trade Organisation