

**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.

TABLE OF CONTENTS		PAGE
Title Page		1
Abstract		2
Acknowledgments		4
Table of Contents		5
List of Acronyms and Abbreviations		20
CHAPTER ONE		24
INTRODUCTION AND RESEARCH METHODOLOGY		
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

CHAPTER SIX		285
POLICY OPTIONS AND CONCLUSIONS		
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.	LIST OF SOURCES	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>
HDIs	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

CHAPTER ONE

INTRODUCTION AND RESEARCH METHODOLOGY

1.1 INTRODUCTION

This thesis examines government intervention in higher education in South Africa and the implications of this intervention. It further proffers policy options for a number of important issues that have emerged in the government's policy agenda for higher education in the country, which remain unresolved.

Government intervention in higher education and its higher educational policy processes aim at redressing the imbalances in the system of higher education, redressing past inequalities, transforming the higher education system to serve a new social order, meeting pressing national needs, responding to new realities and opportunities and setting the higher educational landscape on a path of growth and development (Department of Education, 1997: 1.1). Prior to 1994, the higher educational system had a number of problems, some of which have persisted. The problems include inequities created by the pre-1994 system of higher education, ideological differences, lack of integration of staff and students, and resistance to change (Moraka, 2001: 31). The South African economy needs to meet the challenges of globalisation by integrating into the international arena of competitive finance and production which has undergone rapid changes as a result of new information and communication technologies (ICTs). Furthermore, the social and economic relations, which have created imbalances in wealth and ownership, must be addressed by the country (Kraak, 2001: 14).

The higher education system in South Africa in the 1990s was characterised by large scale corruption in many of the universities, especially the historically black universities; crises of governance in some institutions with the collapse of their councils; malpractice in university management; and the inability of a number of

universities to recover huge amounts of unpaid student fees. Several institutions both justifiably and unjustifiably used up substantial amounts of their accumulated reserves to raise the salaries of underpaid administrative personnel and to accommodate needy students. On the basis of being historically disadvantaged, a number of institutions such as the University of the Western Cape expected the National Government to help them out of their financial crisis. A number of financially viable higher educational institutions incurred huge debts as a result of the demands of student organisations and students for financial waivers, and demands by employee associations for higher salaries for their members even though these institutions could not meet such demands. Many institutions became ungovernable as a result of internal and external violent demonstrations and activities (Jansen, 2003: 13-14).

These problems could not be overlooked if the system of higher education was to be transformed to meet the needs of the citizens and the developmental agenda of South Africa. As a result, commissions of inquiry were set up by the government to investigate various higher educational institutions and make recommendations for their improvement.

The new vision for higher education of the current South African government is geared towards developing excellence, quality, efficient and effective governance and management systems, responsiveness and equity. It is geared towards redressing the imbalances of the past so as to reflect the demographic profile of the country in staff and student profiles; promoting equity of access and outcomes; providing equal opportunities to everyone; transforming into non-racial institutions; producing graduates and the kind of skills that meet the human resource needs of the country and the needs of a competitive technological world; ensuring that research is strengthened and contributes to development; and promoting institutional diversity in order to meet knowledge and skills requirements. The system of higher education that the government envisages should also consist of diverse institutions that are able to adequately respond to

the needs of the country, region and continent through learning and research (Van Essche & Mason, 2004: 1).

In pursuit of the policy objectives of the government, the National Commission on Higher Education (NCHE) proposed the following five key foundations for the new higher education framework, which were largely accepted by government:

- a single nationally coordinated system of higher education;
- increased access and raised participation rates;
- increased responsiveness to societal and economic needs;
- programme differentiation and the development of institutional niche areas; and
- a planning and coordination imperative for higher education by the State in cooperation with relevant stakeholders (Reuter & Dobert, 2002: 164).

Although the government has made substantial strides in its transformation objectives, a number of policy objectives have not been achieved. Moreover, it appears as though the government has contradicted its agenda in a number of ways, such as promoting access to higher education for all and at the same time reducing the number of student admissions to specific programmes, and reducing financial allocations to higher educational institutions, especially the previously advantaged ones, such as the University of Pretoria.

Higher educational institutions are concerned about the extent of government intervention in their affairs, which they perceive as negating institutional autonomy and academic freedom. These allegations have been emphasised by leading and reputable academics such as Jonathan Jansen, the Dean of the Faculty of Education at the University of Pretoria, who is also the current Administrator of the Durban University of Technology, and Barney Pityana, the Vice Chancellor of the University of South Africa. A number of the steps taken by

the government to correct the imbalances in the system of higher education in South Africa have caused dissatisfaction among higher educational institutions and their subsequent claims that their institutional autonomy and academic freedom are under threat. Jansen asserts that these steps through which the government has infringed on the autonomy and academic freedom of higher educational institutions include: prescribing the courses that universities may offer and how students may be taught; specifying institutions that should offer specific programmes; deciding and therefore controlling the number of student admissions to specific programmes; specifying a number of programmes as more desirable than others and providing differential funding accordingly; deciding the higher educational institutions that may exist through mergers and incorporation; and replacing key officials in institutions that fail to resolve their internal problems (Jansen, 2004: 4-5). Pityana also refers to similar problems, including the reduction in higher education funding, which makes it difficult to upgrade facilities such as libraries and laboratories. He considers state funding as insufficient in terms of what the government expects from higher educational institutions (The Mercury, April 8, 2005 & Pretoria News, April 7 2005). Reducing financial allocations to universities can neither enhance the national objective of access to higher education, redress the imbalances of the past, nor build a higher quality of education.

Government intervention in higher education is provided for in a number of acts and policies, including the *Higher Education Act*, 1997 (Act 101 of 1997); the *Education White Paper 3: A Programme for the Transformation of Higher Education of 1997*; the *National Plan for Higher Education of 2001*; the *Restructuring of Higher Education System in South Africa of 2001*; the *Guidelines for Mergers and Incorporation of 2003*; and the *Higher Education Funding Framework of 2004*. Pityana criticises higher education policies as often prescriptive, incoherent, contradictory and ineffective. He argues that the goals of the government cannot be realised without the establishment of an effective, efficient and fully functional system of higher education (Pretoria News, April 7

2005). Although it is agreed that some of these interventions are justifiable to a large extent, and though this research shows that they have had a number of positive as well as negative implications for the system of higher education, they have collectively changed the way higher educational institutions perceive themselves, their objectives and their levels of freedom (Jansen, 2004: 5).

Although government intervention in higher education is necessary to an extent, it is imperative to reconcile legitimate government priorities and institutional autonomy so that the priorities do not undermine institutional autonomy and the same autonomy does not undermine government priorities.

1.2 MOTIVATION FOR STUDY

The role of the government in higher education is a source of dissatisfaction for a number of universities. The argument is that the government interferes and intervenes excessively in higher education, thereby jeopardising the foundations of universities, namely institutional autonomy and academic freedom (Interview, Head of Department, Department of Philosophy, Rand Afrikaans University, Johannesburg, 19 January 2004). The centrally driven and controlled system of higher education and the interventionist nature of higher education policies such as the *National Plan for Higher Education* of 2001 are considered by the higher education sector as infringing on the autonomy and academic freedom of universities (Vermeulen, 2004: 21-22). On the other hand, the government claims to be concerned about the slow rate of transformation of higher education in South Africa; it considers the transformation of the structures, values and cultures of governance in tertiary institutions not as an option but as a necessity for higher education in the country (South Africa, Republic, 1997a: 35). It is necessary to ensure that the interests of government and higher educational institutions are protected and realised in such a manner that both stakeholders are satisfied and able to achieve their mandates.

1.3 PROBLEM STATEMENT

Government intervention in higher education can be ascribed to the need to transform the management and administration of higher education, to find solutions to the problems of equity and access, efficiency and effectiveness, transparency and accountability, and to set the higher education system on the path of growth and development. Although various legislation and policies, including the *Higher Education Act*, 1997 (Act 101 of 1997) and the *National Plan for Higher Education* of 2001 provide for the government and the Department of Education to play an active role in meeting the above objectives, the implementation of policy has largely been prescriptive and characterized by contradictory pronouncements by the government, and lack of unanimity among stakeholders on the modalities for implementing these policies. The South African higher education sector considers the current system of higher education as centrally driven and controlled, thereby compromising higher educational institutions' autonomy and academic freedom (Vermeulen, 2004: 22). These difficulties might prevent or delay the achievement of substantial transformation objectives in the higher education sector.

Currently, the system of higher education in South Africa has made substantial stride in minimising the fragmented nature of higher education management and administration. However, challenges which have been alluded to above remain, as does the need to ensure a functioning adequate relationship between the higher education sector and the state (Council on Higher Education, 2004: 184).

In view of the problems in higher education as shown above and in the motivation for this study, the underlying problem to be addressed is the role of government intervention in higher education to redress the imbalances of the past and contribute to realising the developmental objectives of the country.

1.3.1 Research Questions

The following research questions are therefore posed for the study:

- i) What are the theoretical foundations of Public Administration and specifically public policy?
- ii) What is the international context within which the system of higher education in South Africa operates?
- iii) What are the South African higher education context and policy processes, and reasons for government intervention in higher education?
- iv) How do these reasons relate to the process of transforming higher education?
- v) What are the government's objectives for the mergers and incorporation of higher educational institutions and how did the mergers and incorporation take place?
- vi) What are the implications of the mergers and incorporation for higher educational institutions?
- vii) What problems have or could result from government intervention in higher education?
- viii) What is the state of higher education funding and its implications for institutional autonomy and academic freedom?
- ix) What are the implications of government intervention in higher education in other areas such as the determination of what universities may teach and student admissions?
- x) What is the legitimacy of the claim that the autonomy of higher educational institutions is under threat as a result of government intervention in higher education?
- xi) What policy options and further recommendations can the government and higher educational institutions adopt as

alternative solutions to the problems identified in the research?

- xii) How can legitimate government priorities and institutional autonomy be reconciled so that the priorities do not undermine institutional autonomy and institutional autonomy does not undermine government priorities?
- xiii) How can cooperative governance between the government and universities be enhanced?

1.4 FRAME OF REFERENCE

The intention of this study is to investigate the reasons for government intervention in higher education, how these reasons relate to the process of transforming higher education, the problems that result or that could result from such levels of intervention, and the administrative and managerial implications of government intervention in selected South African universities. The study considers how to reconcile legitimate government priorities and institutional autonomy so that these priorities do not undermine institutional autonomy and institutional autonomy does not undermine government priorities.

The research has both a hierarchical and a geographical dimension. In the hierarchical dimension, it considers only tertiary institutions. In the geographical dimension, the study mainly examines higher education in South Africa, although the international context within which the system of higher education in South Africa operates is considered as well. Apart from references to historical factors that influenced the development of higher education policy before 1990, the research focuses mainly between 1990 and 2008. The beginning of the 1990s was a period of the decline of the former system of governance in South Africa and its system of education. This period witnessed negotiations by politicians,

bureaucrats and other stakeholders such as civil society and human rights groups, for a new democratic order.

1.5 OBJECTIVE OF STUDY

In view of the current policy of the South African government on higher education, which has been referred to earlier and the difficulties arising from this policy, the **primary** objectives of this study are to:

- consider the theoretical foundations of Public Administration and specifically public policy;
- examine the international context within which higher education in South Africa operates;
- examine the South African higher education context, the government's policy processes and the reasons for government intervention in higher education;
- understand how these reasons relate to the process of transforming higher education;
- explore the problems resulting or that could result from such a level of intervention;
- examine the implications of mergers and incorporation for higher educational institutions;
- examine the state of higher education funding and its implications for institutional autonomy and academic freedom;
- examine the implications of government intervention in higher education in other areas such as the determination of what universities may teach and student admissions;
- evaluate the claim that the autonomy of higher educational institutions is under threat as a result of the extent of government intervention; and

- establish how to enhance cooperative governance between universities and government.

The **secondary** objective is to identify the best policy options that the government and higher educational institutions could adopt as alternative solutions to the problems identified in the study, and that could facilitate the realisation of a system of higher education that redresses the imbalances of the past, meets the developmental needs of the country and protects higher education's institutional autonomy and academic freedom.

1.6 RESEARCH METHOD AND DESIGN

This investigation into government intervention in higher education and the relevant policy options employ a qualitative method of research. This entails extensive study of existing literature, and consultations and interviews with relevant stakeholders such as government officials and universities' academic staff and management. The target population consists of the government, Department of Education and three higher educational institutions with specific characteristics and experiences.

1.6.1 Qualitative Research

Qualitative research produces findings through means other than quantification methods such as statistical procedures. One reason for choosing a qualitative method relates to the nature of the research problem. For instance, qualitative research is well suited to investigating the functioning of organisations, people's lives, lived experiences, intergovernmental relations and implementation of government policies and agendas. It can also be useful in finding the nature or meaning of complex human experiences such as addiction, chronic illness or

divorce. In such cases, the qualitative researcher is required to conduct field investigations and establish what people are thinking and doing. Substantive areas, both well researched and less well known, can be explored by means of qualitative methods in order to yield new understanding. Qualitative methods can also be used to derive complex information about emotions, thought processes and feelings that are difficult to understand or extract by means of other conventional methods of research (Strauss & Corbin, 1998: 10-12).

Qualitative research involves a methodical, rigorous, carefully documented and disciplined analytical process. Analysing qualitative data includes understanding, theorizing or interpreting data, and drawing conclusions from the data (Schwandt, 1997: 4). Qualitative analysis further refers to a non-mathematical method of interpretation, executed in order to discover raw data which are then organised into theoretical explanation. Data consists of observation, interviews, videotapes, films, documents and even quantified data (Strauss *et al.*, 1998: 12).

Qualitative research involves a significant measure of interpretation of the subject matter. In other words, it studies events, programmes or situations in their natural setting so as to understand and give meaning to them (Denzin, 1998: 2). Although the bulk of the analysis is interpretative, some of the generated data may be quantified, for instance when considering the background information about the objects or people under study (Strauss *et al.*, 1998: 10-11). In qualitative research, meanings and processes are not rigorously measured or examined in terms of frequency, quantity, intensity or amount. Qualitative researchers emphasise the nature of an investigation's value base. Unlike quantitative research, which seldom studies the world directly but abstracts from this world, which emphasises not processes but the measurement and analysis of causal relationships between variables, qualitative research attempts to find answers for how social experience is created and given meaning. Qualitative researchers are reflective, biographical and historical thinkers, who attempt to make connections among lived experiences and economic, social and cultural

structures. These connections are made out of the empirical materials that are collected in any particular investigation (Denzin, 1998: xi, 8 & 10).

The methods of qualitative research include interviews, visual methods, participant observation, personal experience, case study, introspection, and life story. The combination of multiple interconnected methods brings rigour, depth and breath to the research, and enables qualitative researchers to derive a better understanding of the issues they are examining, (Denzin, 1998: 2-4), and on that basis to proffer adequate options or solutions to relevant problems.

Qualitative research consists of three major components. The first is data collected from sources such as observations, interviews, documents and records. The second relates to procedures for organising and interpreting the data; these can involve data conceptualisation, reduction and elaboration, otherwise known as coding, and include the writing of memos, non-statistical sampling and diagramming. The third component consists of verbal and written reports (Strauss et al, 1998: 11).

1.7 DEFINITION OF KEY CONCEPTS

“Academic freedom” refers to the ability of higher educational institutions to decide for themselves on core academic matters, including firstly freedom to choose staff and students and determine the criteria for retaining them in the institution; secondly freedom to determine the contents of curricula and degree standards; and thirdly, freedom to disburse available funds to various types of expenditure without external interference (Jansen, 2004: 2).

“Apartheid” refers to the policies of the South African government prior to 1994, which divided the citizens of the country into racial groups (Appiah & Gates, 1999).

“*Bill of Rights*” refers to the section of the South African *Constitution of 1996*, which, among other things, provides for the autonomy, academic freedom and freedom of scientific research of higher educational institutions (*Constitution of the Republic of South Africa, 1996: Chapter 2*).

“*Council on Higher Education*” refers to an independent higher education body that advises the government on higher education matters, and develops policy for the higher education sector (Council on Higher Education, 2005).

“*Culture integration*” refers to understanding other cultures, creating a welcoming atmosphere within the university environment and coexisting with other races in harmony (European Student Convention, 2003: 3).

“*DAAD*” refers to the German academic exchange programme known in German as *Deutscher Akademischer Austauschdienst* (DAAD, undated).

“*Department of Telematic Learning and Education Innovation*” refers to the department of the university of Pretoria that uses synchronous software for online teaching and learning programmes, which save students around the world the inconvenience associated with transport, residence and other costs (University of Pretoria, 2004: 21).

“*Education White Paper*” refers to the policy document that outlines the framework for transforming the higher educational system so as to redress the imbalances of the past, serve a new social order, meet pressing national needs and respond to new opportunities and realities (Department of Education, 1997: 2).

“*Gesamtochschule*” refers to the German higher educational institutions that were created through mergers between universities and universities of applied sciences (Department of Education, 2004: 9).

“*Government intervention in higher education*” refers to the various attempts by the government to reform the system of higher education in the country to reflect the new democratic order, to transform its systems and structures, to set the higher educational system on a path of growth and development, to redress the imbalances of the past and to meet the developmental needs of the country (Department of Education, 1997: 1.1).

“*German Rectors’ Conference*” refers to the German higher educational bodies through which German universities articulate their views. As a result of the German Federal system of governance, each region, in addition, has its own rectors’ conference (Erichsen, H.U., 2002: 19).

“*Globalisation*” refers to a combination of the growth of cross-border systems of production and freer trade, technological progress, capital mobility, information flows and communication, which have led to interdependent societies and national economies and homogenised cultures, which in turn have made it impossible for any country to overlook the domestic policies of other countries (International Labour Review, 2004: 1).

“*Higher Education Quality Committee*” refers to a body created by the Council for Higher Education (CHE) to audit and promote quality assurance in higher education and to accredit higher education courses (Van Essche & Masson, 2004).

“*Homelands*” refers to the non-autonomous states created for blacks by the *Bantu Authority’s Act* of 1951, and the *Promotion of the Bantu Self-government Act* of 1959. Tribal organisations administered these homelands. Black South

Africans became citizens of the homelands through the *Bantu Homelands Citizenship Act* of 1970, and were automatically excluded from participating in South African politics (Appiah & Gates, 1999).

"Incorporation" concerns the joining of a subdivision of a public higher educational institution with another public higher educational institution. In these cases, the legal personality of the incorporating institution remains intact, and simply absorbs the incorporated institution. The rules, regulations and academic programmes of the existing legal entity may remain (Department of Education, 2003: 1).

"Institutional autonomy" refers to the freedom of higher educational institutions from external interference in what is taught, how it is taught, who is to be taught and who teaches (Jansen, 2003: 5).

"Land-Grant Institutions" refers to territorial and state higher educational institutions in the United States, which receive support from the Federal Government for integrated programmes in agriculture, food and environmental systems ((West Virginia University, 1999).

"Merger" refers to the joining of two or more public higher educational institutions into a single public higher educational institution. New rules, regulations, institutional cultures and academic programmes are developed for the new institution. As a consequence, the legal personalities of these institutions disappear while a new institution with one legal entity is created (Department of Education, 2003: 1).

"National Plan for Higher Education" refers to the framework and mechanisms for restructuring the higher educational system so as to redress the imbalances of the past, set the higher educational system on the path of growth and

development and meet the development agendas of the country (Department of Education, 1997: 1.14).

“National Qualifications Framework” refers to the process of developing an integrated and comprehensive structure and approach to education and training. It utilises a system of credits for achieved learning outcomes (Reuter, 2002: 161).

“Public Administration” refers to the study of the mechanisms for the development and implementation of government policies. It is the totality of the daily activities of bureaucrats worldwide (Shafritz, 2004: 236).

“Public policy” refers to a course of action aimed at the accomplishment of some objective. It has to do with the decision to enact a law or regulation on an issue, as well as subsequent decisions concerning its implementation and enforcement (Anderson, 1979: 3).

“Policy analysis” refers to all types of analysis that produce and present information in a manner that improves “the basis of policy-makers to exercise their judgement” (Quade, 1975: 4).

“Synchronous software” refers to the University of Pretoria’s virtual learning system that allows students from around the world to participate in online classes through various operating systems, and bandwidth, no matter where their geographic location may be (University of Pretoria, 2004: 21).

“Transformation of higher educational institutions” refers to the attempt to redress the imbalances of the past within the higher education sector, imbalances which created an unequal society in terms of standards of education, employment opportunities and levels of crime (Department of Education, 2003: 2; South Africa, Republic, 1997a: 35).

1.8 STRUCTURE OF RESEARCH

This study has six chapters. Chapter one outlines the research topic, the aims and objectives of the study and the research methods employed. It identifies the research problem, outlines the time frame in which the research is conducted, and explains and defines key concepts and terminologies employed in the research.

Chapter two is a review of relevant literature on Public Administration and specifically public policy. It examines the boundaries of public administration and its functional areas, the concepts of public policy, policy analysis, complexities of policy implementation and policy option generation. This is relevant because the thesis deals with government intervention in higher education and particularly policy options. The place of ethics in policy analysis is given due consideration since ethics has a significant place in public policy. Public policy is an aspect of public administration, and government intervention in higher education in South Africa is a public policy attempt to improve higher education in the country.

Chapter three explores the international context within which the system of higher education in South Africa operates, because this system has been adapted using international best practices. The restructuring of the system of higher education in South Africa is a reflection of global trends in higher education, adapted for the South African developmental context, which involves understanding the past system of education in the country and imagining its future in specific ways. The chapter examines government intervention in higher education, with specific reference to a number of countries; the role of the state in providing education; the impact of globalization on a country's ability to provide education; the impact of weakened government support for higher education; and how to improve higher education. The chapter notes that although governmental and higher educational institutions are pulled apart by their desire for autonomy,

they also find themselves in closer alliance as a result of their desire to serve national economic interests.

Chapter three also examines the South African higher education context, policy processes and the reasons for government intervention in higher education. It considers how these reasons relate to the process of transforming higher education. It traces the history of higher education in the country and the relevant policy developments. Prior to 1994, the system of higher education was fragmented, and lacked common goals, systemic planning and coordination. These problems persisted after 1994, as shown by ideological differences, resistance to change, and minimal social interaction among students of various races. The system of higher education is further confronted with the challenge of redressing past inequalities, meeting pressing national needs and responding to new realities and opportunities. As a result of these problems, among others, the government has intervened in higher education to restore order, reorganise the system and ensure that higher institutions comply with the new academic regulations. Higher institutions are also expected to account for their performance in terms of equity, efficiency and effectiveness.

Chapter four examines the government's objectives for the mergers and incorporation of higher educational institutions, and how these processes occurred, with specific reference to the University of Pretoria, Tshwane University of Technology and University of Kwa-Zulu Natal. The government's objectives for the mergers and incorporation of higher educational institutions, as well as the reactions of higher educational institutions to these processes, are further considered. The reasons for the mergers and incorporation include a need firstly to overcome the imbalances of the former system of education, secondly to promote efficiency and effectiveness so as to meet the needs of a developing economy, and thirdly to reduce overlap and duplications in academic programmes. Although higher educational institutions showed reservations about the mergers and incorporation, as soon as the government decided to implement

the processes, the institutions had to comply with these national directives and ensure their success.

Chapter four, within the context of the main theme of government intervention in higher education, also examines the implications of mergers and incorporation for higher educational institutions, and the problems resulting or that could result from government intervention in higher education. The University of Pretoria, Tshwane University of Technology and University of Kwa-Zulu Natal were specifically considered in this regard. The difficulties that resulted from the mergers and incorporation varied across the higher educational sector. While a number of higher educational institutions had the mechanisms and capacity to deal with the problems that resulted from the processes, other institutions struggled with similar difficulties, such as how best to align widely differing internal systems and processes. New policies and procedures had to be developed for the new institutions, to serve the interests of all stakeholders in these newly merged or incorporated institutions.

Chapter five examines 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; and the legitimacy of the claim that the autonomy of higher educational institutions is under threat as a result of government intervention in higher education.

Higher education funding in South Africa, which is insufficient and characterised by steady decline, does not help the system's need for increased access to higher education, a need created by transformation. It does not facilitate the growth of underdeveloped institutions or ensure that students can study the courses of their choice. Furthermore, higher educational institutions are confronted by excessive government interference in their utilization of funds, their teaching and their enrolment of students for particular courses. Universities

cannot possess absolute autonomy and academic freedom because their functions impact on various stakeholders to whom they are accountable. However, although the state has a duty to provide strategic direction and develop regulatory frameworks and policies necessary for an effective and efficient system of higher education, these objectives can only be fulfilled in cooperation with other stakeholders such as the management and governance structures of higher educational institutions.

Chapter six considers a number of important problems caused by the government's intervention in higher education in the form firstly of policies which undermine institutional autonomy and academic freedom, secondly the mergers and incorporation and thirdly funding arrangements. It examines the issue of funding to find out how the financial constraints placed on higher educational institutions can be minimised, so as to resolve the contradiction inherent in government policy directions that try to ensure the provision of education for all citizens. This chapter addresses the question of how to minimise government intervention in higher education to ensure that institutional autonomy and academic freedom are protected. It identifies the best policy options as alternative solutions to the problems identified, and recommends steps to ensure a system of higher education that is able to meet the needs of a developing economy, a system that promotes access and equal opportunities for all qualified graduates and students seeking admission, and enhances true culture integration. The research questions examined in this chapter are: What policy options and further recommendations can the government and higher educational institutions adopt as alternative solutions to the problems identified in the research? How can legitimate government priorities and institutional autonomy be reconciled so that the priorities do not undermine institutional autonomy and institutional autonomy does not undermine government priorities? And how can cooperative governance between the government and universities be enhanced? The chapter also provides a summary of the research and a conclusion.

1.9 CONCLUSION

This chapter has outlined the problems under investigation, explained why they are worth investigating, how the research will be carried out and its timeframe. The frame of reference and research method employed in the study have been briefly set out, and a comprehensive list of key terms outlined to clarify unfamiliar concepts. Chapter two will review relevant literature on Public Administration and specifically public policy, since policy options are under consideration in the study.

CHAPTER TWO

A REVIEW OF RELEVANT LITERATURE ON PUBLIC ADMINISTRATION

2.1 INTRODUCTION

This chapter addresses the first research question on the theoretical foundations of Public Administration and specifically public policy. Public Administration is the study of the means of developing and implementing government policies. Public Administration could be explained in terms of its generic functions, one of which is public policy. Public policy relates to the guidelines set for the achievement of set goals. There are public policies on higher education in South Africa, and the government's intervention in higher education is a public policy attempt to improve higher education in the country. This study investigates the government intervention in higher education that is supported by various higher education policies, while policy options will be offered in that regard.

The first section of this chapter shows how the study is embedded in Public Administration. The second part examines public policy, since government policies for the higher education sector are under consideration in the thesis. This section gives specific attention to the concept of public policy and policy analysis. The process of policy analysis is explored up to the theory and practice of policy implementation, including implementation complexities, monitoring, evaluation and policy option generation. Ethics in policy analysis is given due consideration, since ethics has a significant place in public policy.

Although an examination of the government's policy agenda and implementation processes within the higher education sector reveals substantial shortcomings, it is worth noting that the government's intervention initiatives in this sector are all aimed at creating a better atmosphere within the higher education sector, which was badly fragmented under the previous government, in order to redress the

imbalances of the past and set the higher education sector on a path of growth and development.

2.2 PUBLIC ADMINISTRATION

Government intervention in higher education in South Africa is a public policy effort to correct the inadequacies inherent in the system of higher education, and as a result, set the higher educational landscape on a path of growth and development. Public policy is an aspect of Public Administration. In Latin, the word 'public' means people, while dictionaries define it as "pertaining to the people of a community, nation, or state" (Rainey, 2003: 65). Public Administration is at the centre of human efforts to reshape and restructure contemporary societies (Jreisat, 2002: 6). It is about taking care of the affairs of the state by public officials. Public Administration is concerned with all areas of government such as the three spheres or levels of government (namely, the national, provincial and local spheres as in the South African context), the executive, legislature, judicial and all kinds of public concern. It refers to administration of these spheres or levels of government (Reilly, 1979: 5-6), which oversee, administer and manage public programmes, establish policies and laws. In general, these spheres or levels of government oversee the execution of government programmes aimed at taking care of the needs of the public. Public Administration is "simply the collective name for the complex of state departments, local authorities, state - controlled corporations and others" (Hanekom and Thornhill, 1986: 7).

Public Administration is the study of the mechanism by which government policies are developed and implemented by government agencies and it "is one of the most important aspects of change in the country" (Brynard and Erasmus, 1995: 149; LeMay, 2006: 11). It is part of the political process as it plays an important role in policy formulation (Reilly, 1979; 6). Public organisations can

experience political interventions and they are usually accountable to the executive, which mainly consists of politicians, and they are also subjected to scrutiny by the legislature (Reilly, 1979: 5-6).

The practice of public administration involves the establishment, maintenance and execution of the administrative system. The administrative process, for Cloete (Hanekom and Thornhill, 1986: 7), is inextricably linked with public institutions functional activities such as policy making, staffing, financing, organisation, the exercising of control and the development of work procedure. It is part of "a much larger political and social system and is therefore closely involved with private groups and individuals in serving the public" (Reilly, 1979: 7). The practice of public administration involves the bureaucratic agents of government in all stages of the public policy process. These agents are often the actors who alert society to a problem. They help shape perceptions about the nature of the problem when brought to the agenda of government by outside forces such as political parties, interest groups, the media, and other political actors (for example, elected officials at the same or another level of government). They often play important role in placing a problem on the agenda of government (LeMay, 2006: 11).

2.2.1 The Boundaries of Public Administration

The boundaries of Public Administration are not clearly defined and because it lacks sufficient theories that are indigenous to the field of Public Administration, many of their conceptual frameworks are borrowed from other disciplines such as business administration, leadership, economics, philosophy, political science, history, theories of management, employee motivation, and theories of structural arrangements such as legitimacy, representation and accountability (Box, 2005: 32 & 14). As a result of the importation of theories from other disciplines, Public Administration has developed substantial literature and knowledge. For instance,

economists developed theories of public bureaucracy that is different from private business. Political scientists focus on public organisations' political role and on the relationship between public organisations and legislators, chief executives, courts and stakeholders. Economists emphasise the absence of economic markets for the outputs of public bureaucracy. They conclude that the absence of economic markets leads to a more bureaucratic public organisation, which is susceptible to political influence than private corporations and characterised by inefficiency and resistance to change (Rainey, 2003: 9). As result of the importation of ideas from various disciplines, Public Administration has become a field of practice based on applied sciences.

2.2.2 Generic Functions of Public Administration

Public Administration comprises the following activities:

- a) The generic administrative functions, such as policy making, exercising control, staffing, financing, organising and the development of work procedure;
- b) The functional activities that each institution or department is designed to perform such as education, security, defense, energy and nursing;
- c) The auxiliary functions that play vital roles in the carrying out of the generic administrative functions and functional activities, such as research, analysis and collection of data, data processing, record keeping and costing (Hanekon and Thornhill, 1986: 10, 17).

In terms of the generic functions of Public Administration, the following elucidation will serve to shortly define each of these functions:

Policy Making

Public policy entails what governments do or the decisions they make, the results of their decisions or the programmes they sponsor in order to achieve their set goals (Garson & Williams, 1982: 403). Public policy includes major areas of concern to government, such as education, defense, welfare, regulating trade, building public houses, agriculture and controlling inflation. The activities and commitment of government are important to the meaning of public policy because there will be no public policy without government direction and involvement (Gerston, 2004: 5-6).

Exercising Control

Control relates to ensuring that set objectives are attained in line with established plan and command, and taking necessary steps to ensure that failures to achieve set objectives are rectified (Barton & Chappell, 1985: 246; Hanekom & Thornhill, 1983: 179). Control means that there must be set aim or policy statement that outlines future goals. Moreover, objectives can be outlined for the realization of the aim. Control measures include reporting on the outcome of set goals and auditing to determine whether income and expenditure comply with legal requirements. These measures will probably remain in public organisations. The other generic administrative functions also serve as control measures (Roux, Brynard, Botes & Fourie, 1997b: 156, 158, 159).

Staffing

Staffing relates to the hiring and training of all personnel and maintaining favourable conditions in the organisation (Barton & Chappell, 1985: 247). It is the means of ensuring that high quality personnel is provided, properly trained and guided (Roux *et al.*, 1997b: 159).

Financing

The administration of public organisations largely depends on government revenue (Peters & Pierre, 2003: 393). Financing relates to budgeting for the costs of running the organization or unit, fiscal planning, accounting for income, expenditure and control (Barton *et al.*, 1985: 247). In South Africa, the *Public Finance Management Act (PFMA)*, 1999 (Act 1 of 1999) ensures transparency, accountability and sound management of revenue, expenditure, assets and liabilities of all governmental and affected organisations. It significantly influences their daily operations and emphasizes the importance of good management and accounting practices. The PFMA emphasises the need for appropriate financial systems and procedures. It places clear responsibility on accounting officers to ensure effective and efficient management of the assets, liabilities, revenue and expenditure of departments. Accounting officers must uphold improved expenditure management and transfers, by planning properly before spending or transferring funds or benefits (National Treasury, 2000: 17 - 18).

According to the PFMA (1999, (45)) line managers are responsible for the effective, efficient, economic, and transparent use of financial resources within their areas of responsibility; they must, within their functional areas, take effective and appropriate steps to prevent any unauthorised expenditure, irregular expenditure, fruitless and wasteful expenditure and any under-collection of due revenue. Moreover, since measurable objectives must be submitted for each departmental programme, line managers may be held accountable for generated outputs (IPFA, 2000b: 13).

Organising

Organising or organisational arrangements relates to the establishment of the hierarchies of officials and offices. It refers to the formal and informal nature of organizations. Formal organisation relates to the official structure and relationships. Structures and processes that are established by legislation,

prescription, laws or regulations represent it. The organisation's rules, regulations, policies, code of conduct and structures provide for the formal relationships among employees and between superiors and subordinates. Informal organisation is constituted by the unofficial social relationships and structure as shown in human and group behaviour. The informal relationships develop from the natural desire of employees to socialize. This leads to the emergence of informal groups in the workplace. Employees experience degrees of self-actualisation when they become part of the group (Roux *et al.*, 1997b: 11,13 & 59).

Development of Work Procedure

A systematic and orderly work procedure is necessary for the successful completion of any function at all levels of public institutions. Work procedure relates to the chronological arrangements of duties to accomplish set goals. In that regard, the work procedure in accordance with which public officials will work have to be rationalized and recorded (Roux *et al.*, 1997b: 159; 184).

Public officials perform a combination of the generic, functional and auxiliary functions. According to Adedeji (1974: 127), Public Administration requires two kinds of public officials, namely the administrative generalists and specialists. The administrative generalists should understand the objectives of government policy and be able to implement them. They should possess management techniques needed to plan, coordinate, direct, and evaluate administrative operations. The administrative specialists, who should first be trained as administrative generalists, should receive further training in specialised fields of administration such as management of public organisations, finance, budgeting and planning, economic and social administration.

Senior officials concentrate on executing the generic administrative functions, while their subordinates concentrate more on the functional activities associated

with their responsibilities. These senior officials are ultimately accountable, however, for leading, directing, arranging and systematising of these three activities, in a manner that ensures that the government's political intentions are implemented. The functional and auxiliary activities are executed when the means for their execution have been created through the generic administrative functions (Hanekom and Thornhill, 1986: 10&17). In the generic administrative function, a policy on the task to be executed is established from the beginning, while the necessary organisational arrangements for its implementation comes next through the establishment of institutions and directing the efforts of employees in particular directions (Hanekon and Thornhill, 1986: 10,17&18).

2.2.3 Concluding Paragraph

The preceding sections reveal that Public Administration is a science that studies the activities that occur in the public sector, which the state administers and manages. It also consists of the functions of policy making, financing, control measures, organisation, and the development of work procedure; and they are aimed at the realisation of set objectives. These are indispensable for any kind of action. The description of the generic administrative functions indicates that "policy making indeed provides the point of departure for public activities" (Hanekom and Thornhill, 1986: 7, 10&18).

2.3 UNDERSTANDING PUBLIC POLICY

A policy is a significant course of action chosen by either a private or public organisation or an influential person, which impacts on many people. It becomes public policy when it is chosen by government (Macrae & Wilde, 1985: 3). Anderson (Kuye, Thornhill & Fourie, 2002: 73) defines policy as a government's proposed course of action or guidelines aimed at ensuring the attainment of

goals and objectives. It is constantly subject to the consequences of environmental influence and change. Birkland (2001: 132-133) sees policy as a government's statement of what it intends to do or not to do. This can take either of the following forms or a combination of them: an agreed course of action to be followed in many cases (Macrae & Wilde, 1985: 3), order, law, regulation, decision or ruling. Policy concerns can be seen in operational and administrative policy, cabinet or government policy, political parties and in departments (Cloete, 1981: 71-77).

Policy, according to Roux (in Kuye, Thornhill & Fourie, 2002: 73-74), "...relates to current societal issues, such as the needs and aspirations of society and its people, economic and technological developments, party politics, environmental and natural events". It can be seen as the attempt to find solutions to complex social problems which have various factors, dimensions, causes and effects (Majchrzak, 1984: 18). For instance, a problem like unemployment could be examined from the perspective of a lack of qualified graduates or from that of a lack of opportunities to access educational institutions.

Three central elements can be detected in the use of the term 'policy'. These are authority, expertise and order. Policy implies that some authorised decision makers have endorsed a course of action. It also implies the existence of the requisite expertise or knowledge of the areas under consideration as well as knowledge of the means to adequately attend to these issues. Lastly, the concern of policy with order implies system and consistency in the sense that, according to Colebatch (1998: 7-8), policy "...sets limits on the behaviour of officials; at the same time, it frees them from the need to make choices".

Although varying understandings of public policy make it difficult to reach a generally acceptable definition, it is clear from these understandings that public policy impacts on all kinds of people, stakeholders and interests. That is why

government and its policies, according to Birkland (2001: 20) "...are sometimes so controversial, frustrating, and at the same time very important".

The study of public policy, according to Birkland, (2001: 3) "...is firmly grounded in the study of politics". The study goes back to the political era of Plato's concern for the Republic. In *'Plato's Republic'*, citizens carry out their duties and obligations and are not tempted to commit crime, because they are just and realise that happiness does not result from committing crime. The just city for Plato is one which is ruled by the wisest citizens. These citizens understand the meaning of justice in terms of the arrangement of the city and its people in harmony (Ziniewicz, 1996: 1). The systematic analysis of a government's output (public policy) is a twentieth-century creation. Around 1922, the political scientist Charles Merriam attempted to relate the theory and practice of politics to understanding governmental functions, that is, public policy (McCool, 1995: 1; Birkland, 2001: 4). The result of this study was an understanding that the public sector, in line with the main aims of the state, is first and foremost concerned with serving the public interest, by, according to Roux (in Cloete & Wissink, 2000: 115), "...ensuring minimum or reasonable right of existence for all inhabitants, particularly the underprivileged section".

Politics leads to policy while administration flows from it. In other words, the policy process has two stages: **first**, decisions are taken on the goals to be achieved (policy) and **second**, these decisions are executed through administration. This means that policy makers have the function of choosing goals, while the administrators have the task of executing the determined objectives (Colebatch, 1998: 74).

The study of policy, in the main, relates to the way organisations (especially but not exclusively public organizations), work and, in particular, how these organisations should be steered. It is about the gap between how they function and how they should operate (Colebatch, 1998: 77). The services that are often

provided by authorities cut across the various levels or spheres of government, such as the national, provincial and local spheres in the South African context. Most of the authorities, given their independence from normal governmental procedures, are involved in every phase of the policy process (Mitchel, 1992: 3).

Many changes have taken place in every field of public policy and these have ensured more benefits for marginalised as well as less privileged members and groups in society, while at the same time increasing the benefits for the more fortunate members and groups (Nagel, 1990: 195). The functions of government, citizens and community organisations in public policy have been re-examined worldwide, especially in developed countries. In the early 1990s, Western democracies were criticised for failing to find solutions to societal problems. Following such criticisms, policy analysts and scholars took on the challenge of examining strategies, policies and actions that enhance the functioning of the democratic system. The activist agenda of President Bill Clinton's administration in the United States (US) in the 1990s is a good example of this new approach to public policy. From the commencement of his terms in office, President Clinton supported the national service programmes through community-based development projects, community organisations and government-voluntary collaborations. These initiatives show that steps can be taken to enhance the effectiveness of public policies to meet the needs of citizens by restructuring the way government functions (Ingram & Smith, 1993: 1).

This shows, as Wissink argues (in Cloete & Wissink, 2000: 286), that policy process can be seen as a complex set of events that determines the actions governments will take, "...and from this determines the effects these actions will have on social, political, economic and physical conditions in society". Since the policy process seems to lack a clear beginning or end, and the boundaries between the various stages are not certain, the policy-making process therefore tends to be disorganised and complex. A policy process is not complete because a specific policy is adopted by a government and its implementation initiated. A

demand for new policies may result from existing policy. No policy is ever complete since it is a continuous and changing process. Its various stages, though distinguishable, are however mutually dependent for the resources and information needed to maintain the policy system (Wissink in Cloete & Wissink, 2000: 286-287).

2.4 THE POLICY- MAKING PROCESS

Policies are formulated to accomplish some objective. Policy arises in the decision to pass a law or regulation on specific issues, and to provide for its enforcement and implementation. The following stakeholders are responsible for the formulation of public policies: legislative bodies at various spheres or levels of government and administration, political office bearers, senior public officials, and interest and pressure groups. It is necessary that proper information relevant to the policy be made available if these stakeholders are to play a central role in policy formulation. Public officials are better placed to provide valuable information for public policy's development, since they carry out their functions daily at the grassroots level. They are, therefore, properly placed to identify limitations in public policy as well as to execute proper means of correcting such constraints (Roux, in Kuye, Thornhill & Fourie, 2002: 76).

2.4.1 Factors Influencing the Policy-making Process

The policy-making process is influenced daily by a variety of internal and external factors, which have to be taken into consideration by policy and decision-makers. Internal factors include elements within governmental bodies which influence policymaking, such as conditions of establishment; political assignment; legality according to state and administrative law; financial means; abilities of personnel; physical facilities; and the managerial style of the head of department. External factors include elements outside public institutions which should be taken into

account in the policy making-process, such as circumstances; policy directions of political parties; pressure groups, interest groups and mass demonstrations; research and investigations by commissions and committees; and the personal views of public servants and political office bearers (Botes, Brynard, Fourie & Roux, 1992: 306-309).

2.4.1.1 Internal Factors:

The following elements within public organizations influence the policy making process:

a) Conditions of Establishment

A department cannot take over, duplicate or undo another department's work or act outside its mandate, since it is established with the objective of achieving specific aims. A department, therefore, can only establish policy directions that are within its jurisdiction (Botes *et al.*, 1992: 306-307).

b) Political Assignment

Public sector organisations exist to execute policies and political mandates in the interests of the public. However, these policies are not usually executed in a neutral manner, since they tend to take the interests of the government of the day into account as well as to negotiate their personal and political agendas (Pasteur, 2001: 1).

c) Legality according to State and Administrative Law

The policies that public institutions make may be influenced by administrative law, especially where such policies are illegal or unlawful and infringe on the rights and freedom of individuals or groups (Botes *et al.*, 1992: 307).

d) Financial Means

The success of the policy programmes of public institutions also depends on the availability of sufficient funding (Botes *et al.*, 1992: 307).

e) Abilities of Personnel

The employees responsible for the implementation of policy play a significant role in the success or failure of such policies, through their action or failure to act appropriately, as well as a result of their level of expertise and sufficient number of employees (Pasteur, 2001: 3-4).

f) Physical Facilities

A successful policy process requires the availability of adequate physical facilities (Botes *et al.*, 1992: 308).

g) Managerial Style of the Head of Department

The policy-making process is influenced by the head of department's management style. For instance, although an autocratic style may get the work done, it does not consider the input of subordinates. A lenient management style on the other hand may create a relaxed atmosphere but can lead to laxity among employees (Botes *et al.*, 1992: 308). Furthermore, the level of experience of the head of department, the political nature of the matters under consideration, the complexity of the decision to be made and the time required to carry out the process have an impact on the decision-making behaviour of the head of department (Simons & Thompson, 1998: 7).

2.4.1.2 External Factors:

The following elements outside public institutions influence the policy making process:

a) Circumstances

Changing or unforeseen circumstances such as drought, (threats of) war and even international pressures may necessitate the formulation of new policies (Botes *et al.*, 1992: 308).

b) Policy Directions of Political Parties

The government of the day, which in a democratic state is elected by voters to represent their interests, endeavours to make policies that are in the best interests of these voters in order not to lose their confidence and trust (Botes *et al.*, 1992: 309).

c) Pressure Groups, Interest Groups and Mass Demonstrations

The relationship between representatives of leading interests groups and government officials is powerful (Hanney, Gonzalez-Block, Buxton & Kogan, 2003: 44-8). Policy making, therefore, involves the process of bargaining and negotiating between government and interest groups, as well as among various interest groups that compete on the basis of their differing interests, such as the allocation of resources or social interests (Pasteur, 2001: 2&1). These groups utilise the occasions of mass demonstrations to deliver memoranda to senior officials or ministers (Botes *et al.*, 1992: 309), when their demands or views are not favourably considered.

d) Research and Investigations by Commissions and Committees

Commissions and committees are appointed by the government to research and make recommendations on matters that need clarification. The government, however, may reject some recommendations and accept others (Botes *et al.*, 1992: 309). Policies that are informed by adequate research are better than those not informed by such research. Research provides a variety of policy options. It gives legitimacy to policies and creates legitimate doubt about other policies (Hanney *et al.*, 2003: 11 & 31).

e) Personal Views of Public Servants and Political Office Bearers

The administrative and political heads of department play significant roles in the policy outcomes of their departments. Although the administrative heads of department are usually experts in their fields, the political heads (ministers) are in most cases not experts in the fields they head. As a result, they rely on the expertise of appointed officials to execute their departmental mandates (Botes *et al.*, 1992: 309).

2.4.2 Stages of Policy Formulation

There are various versions of the policy-making stages, which are similar in nature. The following stages constitute a chronological and logical guide to the central activities of policy making.

2.4.2.1 Problem Identification

The stages of policy formulation begin with the identification of problems and the need to resolve those problems through policy processes (Dunn, 1994: 16).

2.4.2.2 Agenda Setting

Agenda-setting is the stage where the issues to be focused on are chosen. Problems are placed on the public agenda by appointed or elected officials. Only a number of these issues can be included on a government's agenda at any specific time. Many of the problems are not acted upon, while others are addressed only after long delays (Dunn, 1994: 16) because there are many problems to choose from.

The agenda-setting stage involves relevant groups or individuals' recognising that a problem exists, defining the problem, deciding that the government needs to be involved in the problem, and mobilising support from relevant stakeholders to ensure that the problem is included on the agenda of the government. Competition enters these activities in a number of ways. The **first** is that various people lobby for the inclusion of any particular problem on the agenda, by competing to get the attention of relevant government officials. **Secondly** there is competition among the groups and individuals concerned with specific issues over the definition of the specific problem as well as over which opinions and groups to mobilise and how to mobilise them (McCool, 1995: 159).

2.4.2.3 Formulation of Goals and Programmes

All agenda items are not translated into policy, but any item on the agenda that is adequately addressed gets to the stage of policy formulation. This stage involves the making of policy statements, which are declarations of intent. They include some form of goal statement. This stage also involves the design of programmes that concretise the declaration of intent. The design of the programmes and the goals tend to be sketchy and vague because too much clarity and specificity can hamper the reaching of a compromise between competing stakeholders. These stakeholders, who otherwise might disagree, can be satisfied and their support

assured if the goals of the policy statement are kept at a level that is more general and unclear (McCool, 1995: 160).

2.4.2.4 Policy Adoption

A policy alternative is adopted on the basis of agreements reached among heads of organisations, with the support of the majority of law makers, or as a result of court decisions (Dunn, 1994: 16).

2.4.3 Institutions Involved in Policy Formulation

The following institutions are involved in policy determination, information gathering and advice: legislative institutions; executive councils and committees; commissions and committees of inquiry; select, standing and joint committees of parliament; cabinet committees; and internal auxiliary services and staff units (Botes *et al.*, 1992: 310).

2.4.3.1 Legislative Institutions

In South Africa, elected legislative bodies such as Parliament can determine policies. Parliament consists of the National Assembly and the National Council of Provinces, which both participate in legislative processes in line with constitutional directives (South Africa, 1996a: 42 (1)). It is the supreme public institution in the Republic of South Africa (COSATU: 144), and its institutionality is expressed in the gathering of the whole legislature in plenary (Calland, 1997: 1-2).

2.4.3.2 Executive Councils and Committees

All political office holders formulate and implement policies. These include the Cabinet, the supreme executive council made up of national departments'

Ministers; the Premier, the head of a province assisted by the heads of provincial departments known as Members of Executive Council (MECs); and the executive committee members within municipalities (Botes *et al.*, 1992: 310). In South Africa, the National Assembly and the National Council of Provinces (NCOP) are divided into committees. The parties in Parliament are represented in the committees. Each government department has a committee in the National Assembly that deals with the Bills that come from government departments (South Africa, 1999: 125(1)).

2.4.3.3 Commissions and Committees of Inquiry

The President appoints commissions of inquiry and Ministers appoint committees of inquiry, to investigate specific matters of public concern. The results of these investigations and the recommendations of the commissions and committees are tabled in reports, which the government may accept (University of Cape Town, undated). Commissions and committees of inquiry contribute to the determination of government policy through policy advice to political office holders and through investigations into particular issues in order to establish the loopholes in the policy process (Botes *et al.*, 1992: 310).

2.4.3.4 Select, Standing and Joint Committees of Parliament

Members of select committees come from the National Council of Provinces (NCOP) and report to the same NCOP. Their work includes processing legislation, oversight, and investigating how government functions are executed (NCOP, 1999: 20). The Standing Committee on Public Accounts (SCOPA) is Parliament's means of monitoring the use of public funds by public institutions. The Auditor General carries out special investigations on behalf of the Committee, acts as a specialist adviser and provides Parliament with information on financial management of public sector institutions (Committee Section, 1999: 40). Joint committees consist of members of the National Assembly and the

National Council of Provinces. The Joint Rules of Parliament govern their functions (Committee Section, 1999: 8-10).

2.4.3.5 Cabinet Committees

Cabinet Committees which consist of Ministers and their deputies are forums where they and other relevant officials investigate and discuss specific issues before they are presented at Cabinet meetings (Department of the Prime Minister and Cabinet, 2004: 1).

2.4.3.6 Internal Auxiliary Services and Staff Units

Internal auxiliary services, which provide the support necessary for the achievement of the objectives of government departments and staff units, advise management on policy matters (Botes *et al.*, 1992: 310).

2.4.4 Levels of Policy-making

Four policy levels can be identified, namely political party policy, government or cabinet policy, departmental policy and administrative policy (Roux, Brynard, Botes & Fourie, 1997: 144-145; Botes *et al.*, 1992: 311-312). These policy instruments are various approaches for addressing societal problems or policy matters (Cloete & Wissink, 2006: 19).

2.4.4.1 Political Party Policy

This is the policy with which a political party was elected to power and which has to be implemented within the public sector (Roux *et al.*, 1997: 144). The policy should be in line with the moral political notion of government as a mechanism for promoting community good (Shinn & Van der Silk, 1988: 540).

2.4.4.2 Government or Cabinet Policy

These are executive decisions made by political office bearers, with the assistance of senior public officials. Government officials execute these decisions (Cloete & Wissink, 2006: 19).

2.4.4.3 Departmental Policy

This is the policy that a department has to implement in order to meet its aims and objectives (Roux *et al.*, 1997: 145).

2.4.4.4 Administrative Policy

Administrative policy, according to Cloete and Wissink (2006: 19), "...pertains to various aspects of policy such as the income and expenditure of a particular government department..." The policies that ensure the adequate functioning of a department's administration are personnel policy, financial policy, organisational policy, procedural policy and control policy (Roux *et al.*, 1997: 145).

a) Personnel Policy

The staff members that implement government policy have to be favourably disposed towards the same policy, especially the aspect of the policy for which they are responsible (Coetzee, 1988: 61). Although there are national guidelines for the appointment, remuneration, promotion and dismissal of personnel, each head of department, in line with these provisions, must develop applicable internal staff policy (Botes *et al.*, 1992: 312).

b) Financial Policy

In South Africa, the functions of the public sector have direct bearing on their funding needs and the amount of funds allocated to them by the national treasury (Meijer, Falkena & Van der Merwe, 1991:106).

c) Organisational Policy

The Public Service Commission usually prescribes the organisational structure of a government department or an organ of state. However, relevant officials must maintain and continuously investigate the internal functioning of such departments (Botes *et al.*, 1992: 312).

d) Procedural Policy

All government institutions function on the basis of particular procedures and methods. In order to implement proper procedural policy, the head of department needs to be continuously advised by departmental and organisational work-study officials on improved methods and procedures (Botes *et al.*, 1992: 312).

e) Control Policy

The functioning of public officials is controlled by policies that aim to minimise error, offence or usurpation of political power, and to achieve the objectives of the department. Control can be exercised through supervision, reporting and auditing (Caiden, 1971: 203-204; Coetzee, 1988: 62).

2.4.5 Concluding Paragraph

This section has briefly discussed the concept of public policy, factors influencing the policy-making process, stages of policy formulation, institutions involved in policy formulation and levels of policy-making. Public policy has been shown to be formulated to accomplish particular objectives, or to find solutions to complex societal problems and to impact on various people, stakeholders and interests. Such impact has to be monitored and evaluated with a view to correcting any negative outcomes.

2.5 POLICY ANALYSIS

Policy analysis attempts to create, communicate and critically evaluate policy-relevant knowledge within the various phases of the process of policy-making. Each phase is related to the next phase (Dunn, 1994: 15). Policy analysis relates to the use of intuition and judgement. It covers both the examination of the various components of a policy, as well as the design and synthesis of alternative policies. The three elements of policy analysis are: problem identification, goals determination and alternatives. Policy analysis can be seen as determining which of the various public policy alternatives will achieve the determined objectives most efficiently, considering the relation between policies and goals (Nagel 1990: viii). Roux (in Kuye *et al.*, 2002: 79) however, views the main aim of public policy analysis as finding the best available policy options that take care of the needs of the public in the best possible way. He also views the goal of policy analysis as to process data that is essential to policy formulation in order to find adequate solutions to problems, conduct a cost-benefit analysis of envisaged policy directives, and consider the effectiveness of current policy directives.

Policy analysis also aims to realise political, scientific and professional objectives. On the political level, the study of public policy is generally seen as an

attempt to gain the assurance that government, in order to realise its objectives, follows adequate policy initiatives. The scientific aim is to understand the implications of public policy on political and environmental systems and the consequences of environmental factors on public policy content. The professional aim is to gain deeper insight into societal problems by means of scientific knowledge. It is vital to understand the implications of established public policies (Dye, 1987: 5).

Policy analysis ranges from research into a problem or issue, to clarify it, to the evaluation of a completed programme. Policy analysis can therefore be defined, according to Quade (1975: 4), as "...any type of analysis that generates and presents information in such a way as to improve the basis of policy-makers to exercise their judgement". Policy analysis assumes that a problem exists which needs to be investigated by means of scientific research. It is therefore important that policy analysts possess the requisite grasp of scientific investigation. The existence of a problem, according to Roux (in Kuye *et al.*, 2002: 79), is seen in scientific terms, as a stimulant and motivation for research, while any scientific research is preceded by a clear problem statement. This is also the beginning of any policy analytic investigation. In other words, according to Roux (in Kuye, *et al.*, 2002: 79) "...a researchable problem must exist, which, after thorough data collection and systematisation of knowledge, could lead to a point where alternatives could be identified and recommendations be made".

The methods of public policy analysis, according to Nagel (1990: x), are the means by which a decision is reached about which policy to adopt, drawing on available data on policies, goals and relations. These methods involve establishing the relationship between goals and policies, and determining which goals to consider and which policies are available for adoption.

Since policy analysis not only produces facts but also offers possible courses of action, it includes both policy evaluation and recommendation. Since policy

analysis is an applied discipline, it draws from a variety of disciplines and professions such as public administration, law, the behavioural sciences, philosophy, systems analysis, ethics and even applied mathematics, which possess descriptive, prescriptive and evaluative foci (Dunn, 1994: 62). Although public officials should, as a result of their day-to-day work experiences and personal understanding of their departmental activities, be able to carry out the function of policy analysis, they may not be able to devote sufficient time and energy to the process as a result of their other work commitments. It is preferable to have a separate section within a department whose sole responsibility is the scientific analysis of policy matters (Roux, in Kuye *et al.*, 2002: 77).

The first concrete result of a properly conducted policy analysis is a well-structured written report in which the facts are not misrepresented. The report has to meet acceptable scientific report-writing standards to ensure that it contains adequately structured, systematised and classified information, verifies all its fact and arguments through acceptable reference techniques, and lists all sources consulted (Roux, in Kuye *et al.*, 2002: 95-96).

2.5.1 Role Players in Policy Analysis

The role players in policy analysis include:

- Public officials who implement policies and examine policy implications;
- Consultants who can analyse public policy objectively since they are external parties;
- Divisions or units that are primarily responsible for analysing departmental policies;
- Non-governmental organisations;
- Political parties;
- Community-based organisations;

- International organisations;
- Commissions of Inquiry;
- Parliamentary Committees; and
- Research institutions (Roux, in Kuye *et al.*, 2002: 76-77).

2.5.2 Forms of Policy Analysis

Policy analysis can take on any of the following forms: incrementalist, utilitarian, prospective, retrospective, and integrated policy analysis (Forester, 1993: 11; Dunn, 1994: 75-80).

2.5.2.1 Incrementalist Analysis

The focus of incrementalist analysis is on the negotiations involved in policy formulation and implementation. In the process of formulating policy, advocates of various interests lobby and bring their influence to bear on the shaping of the proposals under consideration (Forester, 1993: 11).

2.5.2.2 Utilitarian Analysis

The questions that utilitarians ask are whether ends have been attained, which ends these are, and how they were reached. The utilitarian line of policy analysis can be compared to the widespread interest in the various forms of cost-benefit analysis as a foundation for considering alternative policy proposals (Forester, 1993: 11).

2.5.2.3 Prospective Analysis

Prospective policy analysis is a means of synthesising information and drawing policy alternatives and preferences from it, as a basis or guide for making policy decisions (Dunn, 1994: 75–76).

2.5.2.4 Retrospective Policy Analysis

Retrospective policy analysis has to do with the production and transformation of information once policy actions have been taken. This is the operating style of three major analytic groups namely discipline-oriented analysts, problem-oriented analysts and application-oriented analysts. Discipline-oriented analysts attempt to describe the causes and impacts of policies, as well as develop and test discipline-based theories. They produce hardly any information which is directly useful for finding solutions to policy problems, mainly because policy-makers may not be able to manipulate the variables which are relevant for the formulation and testing of general scientific theories. Problem-orientated analysts also attempt to describe the causes and effects of policies. They are, however, more concerned with identifying variables which policy makers may manipulate in resolving problems, than with the development and testing of theories which social science disciplines consider important. Application-oriented analysts do not concern themselves with the testing and development of discipline-based theories, but attempt to describe the causes and effects of public programmes and policies. They are also geared towards identifying the objectives and goals of all stakeholders, including policy makers. Information about these objectives and goals provides a foundation for monitoring and evaluating particular policy outcomes, which in turn may enable policy makers to classify policy problems, generate policy options and propose ways of resolving the problems (Dunn, 1994: 77-78).

2.5.2.5 Integrated Policy Analysis

This is a more comprehensive type of analysis as it links the prospective and retrospective phases of policy analysis, and also requires analysts to continuously produce and transform information over time. In other words, analysts engage in cyclical production and transformation of information either prior to or after action. Unlike prospective and retrospective policy analysis,

integrated analysis makes provision for continuous monitoring and evaluation of policies (Dunn, 1994: 78-80).

2.5.3 Process of Policy Analysis

An adequate policy does not always have to move from the problem definition to the selection of a preferred alternative in a straightforward manner. Rather, as understanding of the problem widens, the policy process works forward and backwards. It is not necessary during analysis to follow these steps linearly as individual situations can influence the need to do a complete or partial policy analysis. Problem identification, goal determination and alternatives, which are the three elements of analysis, according to Roux, (in Kuye *et al.*, 2002: 95), “...do not represent a series of steps to follow in a linear way. Rather, they represent an iterative and interactive series of events”.

The process of policy analysis can be divided into three phases, namely: preparatory phase, theoretical construction and real analysis.

2.5.3.1 Preparatory Phase

The steps in this phase are:

- a) initial problem identification;
- b) collection of data relevant to policy formulation;
- c) arranging of information;
- d) identification and definition of the real problem and the actual client;
- e) environmental impact assessment; and
- f) taking the decision, on the basis of the cost of the investigation, as to whether analysis should be conducted in-house or by external consultant (Roux, in Kuye *et al.*, 2002: 94).

2.5.3.2 Theoretical Construction

The steps in this phase are:

- a) determining the theoretical foundation; and
- b) choosing the approach and model (Roux in Kuye, *et al.*, 2002: 94).

2.5.3.3 Real Analysis

The steps in this phase are:

- a) facts to be outlined;
- b) alternatives to be developed;
- c) alternatives to be analysed in terms of cost benefits, values and effectiveness;
- d) choosing the alternatives considered to be best;
- e) if possible, conducting a simulation;
- f) verification (control);
- g) making recommendations;
- h) executing implementation;
- i) beginning the process of re-evaluation from phase 1 (Roux, in Kuye *et al.*, 2002: 95).

2.5.4 Ethics and Policy Analysis

Ethics is a system of moral principles relating to right or good conduct. It involves considering or balancing the interests of various stakeholders in a way that reflects organisational values and standards. Ethics also considers the implications of social, political, economic and environmental activities on all stakeholders' interests (Rossouw, 2002: 4).

Policy analysts are confronted with the ethical challenge of maintaining objectivity and fairness and upholding high ethical standards in the way they conduct their analytic work. As human beings, they are subject to the challenge of remaining both subjective and objective in their decision-making on whether policy recommendations and options would be advantageous or disadvantageous to the client (Roux in Kuye *et al.*, 2002: 82).

The ethical obligations of policy analysts cannot be overlooked since, as with other human beings, they are often tempted to make decisions based on what they perceive to be valuable and in the process overlook the values and systems of other people. The kinds of ethical dilemmas policy analysts face include the following:

- whose interests among all the stakeholders' should be maximised? Is it the interest of the larger society, political parties or special interest groups?
- should raw data be shared, with whom and to what extent?
- should people be put at risk in the evaluation process?
- should the research process incur or save costs? (Nagel, 1990: xix).

The problem, according to Roux (in Kuye *et al.*, 2002: 82), is further complicated by the idea of loyalty, which raises the following questions: in making policy decisions, to whom should policy analysts be loyal? Should the stakeholders affected by policy changes benefit from the policy decisions taken?

A key factor in the resolution of ethical dilemmas in policy evaluation, according to Nagel (1990: xix), is that by being explicit about what they are doing about the above problems, policy analysts or evaluators have complied with basic ethical obligations. Furthermore, the execution of professional policy analysis, according to Roux (in Kuye *et al.*, 2002: 82), demands that policy analysts possess the following attributes: competence, discretion, integrity, honesty, loyalty and

diligence. Added to these, policy analysts must always consider the interests of all parties equally and impartially.

2.5.5 Theory and Practice of Policy Implementation

Policy implementation is preceded by the formulation and analysis of public policy. Policy implementation covers the activities of private and public organisations, individuals or groups, which are geared towards the realisation of objectives outlined in prior policy decisions (Brynard, in Cloete & Wissink, 2000: 166). According to Roux (in Kuye *et al.*, 2002: 90), policy implementation relates to the execution of policy directives which the decision makers have authorised, in a well planned and programmed way.

Policies are implemented primarily by a complex system of administrative agencies. These agencies perform most of the day-to-day work of government and thus affect citizens more directly in their actions than any other governmental unit (Anderson, 1979: 93). Various actions are required in the process of implementing a policy. These include, according to Edwards and Sharkansky (1978: 293), "...issuing directives and enforcing them, disbursing funds, making loans, awarding grants, making contracts, collecting information, disseminating information, assigning personnel, hiring personnel and creating organisational units". An implementation programme, according to Roux (in Kuye *et al.*, 2002: 90), has to take the following requirements into consideration: the institution's ability to cope with the new policy challenges; the financial requirements of the implementation process; and human resource needs in terms of availability of required personnel as well as their commitment to carrying out their mandates professionally.

2.5.5.1 Problems of Policy Implementation

All over the world, the implementation stage appears to be the most difficult in terms of its practical execution, a result of non-existent implementation programmes. In South Africa, for instance, the government annually formulates and analyses impressive policies in its bid to make the best policy options available to South African society. However, such options appear often to lack proper guidelines on their implementation (Roux, in Kuye *et al.*, 2002: 89).

The process of policy making and its implementation is complex. Making a policy does not guarantee its implementation, while commencing a programme is not a guarantee that desired or significant results will be achieved. The results may be below expectation, or a programme aimed at alleviating difficulties may create other problems. It is difficult to implement policy in a straight forward manner. The implementation of policy is always influenced by political, economic (or structural) and institutional constraints. Sharkansky (1982: 243 & 258) observes that policy making and its implementation are both not easy, and there is no certainty that a programme will be implemented once a law has been passed. It is also not certain that a programme will produce the desired results once the programme has commenced. He notes further that it is possible that no significant results may be achieved, while the results predicted may not be the ones achieved. It is also possible that other problems may be created by a programme designed to alleviate a problem. The other factors that stifle implementation are inadequate planning, insufficient resources, complexity within organisations that make co-ordination impossible and complex environments.

In South Africa, the policies formulated since 1990 have not been as successful as contemplated, and this is evident in such failed and deficient policy directives as the Reconstruction and Development Programme (RDP), the Growth, Employment and Redistribution Strategy (GEAR), and the Higher Education policies. For instance, the African National Congress realised that the

redistributive orientation of RDP was economically unfeasible, while the pro-business and neo-liberal market based policies of GEAR that served the interests of capital while neglecting the interests of the working class was inadequate in redressing the injustices of the apartheid era. Pityana, among other prominent stakeholders consider higher education policies incoherent, prescriptive, contradictory and ineffective (Marais, 1998: 131 & 150; Kraak, 2001: 2; King, 2006: 8; Pretoria News, April 7 2005). These policies will receive more attention in the following sections. The more detailed description is necessary, within the context of the main theme, to show the gap between the government's policy directions and the outcomes of the implementation processes.

The other problematic policy issues which will be examined in the main chapters of this study are:

- transforming the system of higher education to redress the imbalances of the past;
- restructuring the system of higher education in the country to meet developmental challenges;
- transforming the values, cultures and governance structures of higher education (South Africa, 1997a: 35);
- ensuring a high quality system of higher education which is sustainable, equitable and productive and which contributes to the human resource, knowledge, skills and research needs of the country in an efficient and effective manner (Department of Education, 2003: 2);
- providing equal opportunities to everyone, and transforming into non-racial institutions (Van Essche & Masson, 2004: 1);
- ensuring the right of all citizens to quality education on an equitable basis and an inclusive education free from discrimination on the grounds of race, gender or disability of all forms (South Africa, 1996a);

- ensuring the development of a higher education system characterised by excellence, quality, efficient and effective governance and management system, responsiveness and equity (Van Essche & Masson, 2004: 1);
- increasing student access and participation rates;
- implementing a new funding formula aimed at eliminating the financial difficulties confronting higher educational institutions and improving the overall efficiency of the system of higher education; and
- merging or incorporating higher educational institutions to overcome the fragmentation that existed in the system of higher education, promote efficiency and effectiveness in higher education management and administration, overcome the historical divide, strengthen the academic nature of institutions, reduce overlap and duplication in academic programmes, and consolidate existing academic programmes so as to produce a variety of programmes that meet national and regional needs (Department of Education, 2001a; South Africa, 1997a).

a. Reconstruction and Development Programme (RDP)

The Reconstruction and Development Programme (RDP) aimed to change the material conditions of people's lives in the country (Mbeki, 2006: 5). It was established to mobilise citizens and the country's resources to eradicate the legacies of apartheid, meet basic needs, develop human resources, build the economy and make it globally competitive, and build a democratic, non-racial and non-sexist society. It integrates economic growth, development, reconstruction and redistribution into a unified programme (South Africa, 1994: 1.1.1).

The RDP detracts from the commonly held idea that development is a deduction from growth, that the processes of growth and redistribution and those of growth

and development contradict each other. On its part, it conceives reconstruction and development as parts of an integrated process, and as a result, it integrates the following into a unified programme: growth, development, reconstruction and redistribution (African National Congress, 1994: 6). The RDP promoted the idea of an integrated package of policy reforms which are linked together for social reconstruction in a single coherent plan. The RDP attempted to link the economic policy to the following policies: human resources development, employment growth and labour market reform, youth training schemes, public works, education and training (Kraak, 2001: 12).

During this period, the ANC also held another core policy position that emphasised the need for an 'enabling state'. This is the claim that adequate solutions to the problems confronting the country can neither be found in a commandist central planning system nor in an unrestricted free-market system. Rather, the solution, according to the ANC, can be found in a 'slim' enabling state which is able to strategically intervene while using its scarce resources judiciously. It supports direct interventions by the state which are targeted and selective, made on the basis of sectoral planning. In line with the example of other successful newly industrialised countries, the state will also intervene in ensuring that highly skilled technicians and engineers are trained, technological capacity, research and development infrastructure are developed, and industrial clusters and particular sectors targeted to develop products that can compete in world markets (Kraak, 2001: 12-13).

b. Growth, Employment and Redistribution Strategy (GEAR) and Accelerated and Shared Growth Initiative for South Africa (ASGISA)

The aim of the Growth, Employment and Redistribution Strategy (GEAR), a macro-economic strategy, was the implementation of structural adjustment

policies such as low budget deficits, privatisation of state assets, relaxation of labour laws, competitive exchange rates and low inflation, in order to attract foreign direct investment, which would in turn ensure higher economic growth rates and job creation (Centre for Policy Studies, 2000: 2). As soon as the new South African government took charge, it took on the complexities of governance. For example, GEAR, though aimed at industry, in effect, curtailed the new government's capacity to plan and direct higher education's transformation and reconstruction initiatives (Kraak, 2001: 2).

Government's attempt to implement vital aspects of the GEAR's policy such as an integrated package of fiscal stabilization, privatization, liberalization and faster labour market reforms was not successful. The accelerated and Shared Growth Initiative for South Africa (ASGISA), unlike GEAR, aims to be a coordinating strategy for various policy activities, in order to achieve the RDP's and GEAR's objectives differently (Taljaard, 2006: 2).

ASGISA is not a comprehensive development plan. Rather, its initiative "consists of a limited set of interventions that are intended to serve as catalysts to accelerated and shared growth and development" (Mbeki in Tralac, 2006: 1). Through ASGISA, Government hopes to tackle the problems of poverty, unemployment, underdevelopment and skills' shortage, in partnership with relevant stakeholders. In addition to seeking higher annual growth rates, environmental improvement, higher employment rates, and poverty eradication, it is envisaged that inequalities will be reduced, new businesses will be created, and the level of skills that the economy needs will be developed. ASGISA further hopes to bridge the gap between the first and the second economy; the leverage of the first economy will be used to address the second economy, while the second economy will be eliminated in the long run. ASGISA will support small businesses, while the African Chamber of Commerce will establish 100 000 new and medium enterprises annually. In order to ensure the achievement of the shared and faster economic growth, national social objectives and the Millennium

development goals, the government and its social partners, will regularly evaluate ASGISA. The social partners include Harvard University based economists and scientists (Presidency of the Republic of South Africa, 2006: 2-4,8, 10-12, 14, 18-19).

c. Higher Education Policies

Policy implementation in the South African higher educational sector since 1994 has been difficult as a result of lack of unanimity around the new higher educational policies. This period has been worsened by tension resulting from competing ideas over the modalities for transforming higher education. The higher education community in South Africa has never had a strong consensus over the content of the new policy framework, since there has always been a high level of competing interpretations and discursive tension which have characterised such policy debates since the 1990s. This kind of policy gap is not unique to the higher educational sector, since there is usually a gap between policy formulation and its implementation as explored above. The following competing discourses have significantly influenced the processes of policy formulation, adaptation and retraction in South Africa: high-skills theory, equity position theory and stratification theory. Although these competing theories have had various degrees of positive influence, they have overall made it difficult to attain certainty and unanimity about the government's policy on higher education (Kraak, 2001: 2). These problems of implementation, including the impact of tight fiscal policies and the multiplicity of participants and multiplicity of perspectives, will now be examined.

d. Multiplicity of Participants and Multiplicity of Perspectives

Pressman and Wildavsky (1973) contend that a multiplicity of participants and perspectives is among the major difficulties in the implementation of new

programmes. Multiplicity of participants creates room for multiplicity of perspectives. The results of such diversity of participants and opinions are problems that hinder the smooth implementation of any programme. Policy implementation can be complex, especially new policies, even when there was initial agreement among participants in the policy process. Policy implementation is complex because there are so many factors or bodies involved in the execution of any single policy.

Participants may agree with the main goals of a proposal, but disagree with the means of achieving it. They may find that the merits of a proposal are incompatible with other aims of their organisation, even when they agree with those merits. Participants may not be opposed to a proposal, or prefer a different programme, but their focus and time may be tied to other projects, which may lead to delay in programme implementation. The attention of organisations or individuals may be needed in the process of implementing a project if the project falls within their area of jurisdiction, but they might not have a sense of urgency about the overall programme. Participants may agree on the goals of a programme, while they may not agree on who should execute the programmes. Some participants may delay or suppress implementation if they believe that their interests are being jeopardised (Pressman & Wildavsky, 1973: 100-101).

Policy making is a complex procedure. Those who implement policy often receive vague information on when and how to execute the implementation process. They may not know what to expect when a new programme is about to commence. Moreover, according to Sharkansky (1982: 249), "...a programme statement may list a number of goals, without clarifying which ones are the most important. Policy makers do not have either the time or the expertise to develop and apply all necessary details for implementing policy. As a result, they leave most, if not all the details to subordinates. In turn, this, according to Edwards & Sharkansky (1978: 299), "...provides subordinates...with considerable discretion for interpreting their superiors' decisions and orders". The details of the orders

received from superiors are further expanded and developed by subordinates at each hierarchical level. Subordinates may not know what to do since as they were not there when the policy decisions were made and they may not be fully aware of what the policies are meant to achieve.

Sharkansky (1982: 249) contends that when administrators are left with substantial details to decide on at the stage of programme design, what results is a crisis at the stage of implementation. This can cause delay, as administrators struggle to come to terms with what to do. The programme can also be stifled because unenthusiastic administrators use the confusion as an excuse to do nothing. New programmes often experience an acute shortage of adequate and sufficient staff for their implementation. Insufficient funds lead to insufficient staff for programme implementation. Furthermore, it is not always easy or possible to get adequately skilled staff, even with the availability of unlimited funds (Edwards & Sharkansky, 1978: 303).

Interest groups push for their own demands by taking advantage of the discretion granted to subordinates (Edwards *et al.*, 1978: 300), while private and non-governmental organisations that are contracted by government, according to Sharkansky (1982: 247), "...take part in design, delivery and monitoring of social programmes from outside of government". This can lead to improper programme integration, as the various related activities are in the hands of different agencies, and the problem of co-ordinating the various bodies affects programme implementation. Central control of service quality is often lacking, and some government officers charged with arranging or monitoring programme implementation are irresponsible (Sharkansky, 1982: 248).

e. The Impact of Tight Fiscal Policies

The impact of tight fiscal policies such as the Medium Term Expenditure Framework (MTEF), which outlines the government's priorities and expenditure

patterns over a three-year period, denies the higher education sector the opportunity for more financial resources. Although the national government does not have unlimited financial resources, and despite its commitment to fiscal discipline, the higher education sector must receive sustained financial investment in order to develop the kind of competencies and high level skills necessary for economic and social development. Other areas also have high additional costs, such as rectifying existing inequities, restructuring existing programmes, and building greater student participation. These costs cannot be met without substantial private contribution and adequate public funding (Kraak, 2001: 24).

f. The High Skills Theory

The high skills position has emerged because of globalisation, which poses huge new challenges for the training and education systems of economies around the globe. Adequate knowledge of Information and Communications Technology (ICT) has become a criterion for employment prospects (Selwyn & Brown, 2000: 661), because emerging technologies need the expertise of a highly qualified, specialised labour force and well rounded and diverse skill competencies that can add value to existing products and services. Entire labour forces capable of adapting to rapid technological change and to volatile and unpredictable global product markets are required by corporations. Such enterprises also need broad problem-solving skills to detect production flaws. Value is placed on the capacity to retool and quickly attend to rapidly changing market conditions. Globalisation, in essence, has imposed new conditions on competitiveness, bordering on the attainment of greater levels of productivity based on a very skilled workforce (Kraak, 2001: 9).

The high skills theory considers reform in education as constituting part of a larger set of socio-economic reforms. It argues that achieving meaningful reform in one institutional area such as education depends on achieving parallel

changes in other institutional spheres, such as the labour market, the macro-economic sphere and the work place. The high skills thesis played a significant role in the development of the educational and macro-economic policies of the ANC between 1990 and 1994. The central ideas of South Africa's variant of the high skills theory are firstly to promote the idea of a 'developmental' state that will drive the implementation of such an integrated agenda of complimentary reforms; secondly, to link labour market, education and macro-economic restructuring within an integrated single socio-economic reconstruction programme; and thirdly, according to Kraak (2001: 10) to privilege "the idea of a unified and integrative education and training regulatory framework".

The high skills theory was unable to gain sufficient basis for implementation in South Africa, even though it was central to the ANC's education and economic position. This was partially due to the opposition it generated in many commentators, who viewed it as another form of renewed capitalism or capitalist exploitation in the form of globalisation. Many of these critics, however, failed to posit an alternative to the connection between education and economy. The rejection of the high skills thesis in various quarters can also be attributed to a lack of a coherent set of policies around human resources, economic growth and industrial development that could have satisfied the urgent need for high skills. It can also be attributed to failings on the part of the Department of Education, as well as the failure of the policy formulation process. As a result of this discursive conflict, the higher education sector could not reach a binding agreement in support of the new government's official policy (Kraak, 2001: 21-22).

g. Equity Position

The equity position relates to the ability to gain admission to and successfully complete higher education. Application of the equity principle implies, on the one hand, taking stock of existing inequalities which result from discriminatory policies, structures and practices and, on the other hand, a transformation

programme which involves abrogating all kinds of unjust differentiation and, according to the *Education White Paper* (South Africa, 1997a: 1.18), “...considers empowerment, including financial support to bring about equal opportunity for individuals and institutions”.

The demand for equity aims at rectifying the social and institutional consequences of apartheid education. The staff, students and ex-graduates of previously disadvantaged institutions demanded the overhaul of these institutions to bring them up to an acceptable level relative to that of the previously advantaged institutions. During the education policy debates of the early 1990s, a number of analysts saw the demand for equity and the demands of the high skills discourse on issues of economic development as contradictory. Such analysts consider equity as not necessarily a consequence of development, and equity policies as not necessarily leading to development. These analysts contend that favouring one goal will jeopardise the other, as shown by international experience. These goals, they contend, should rather be pursued as parallel instead of as correlative objectives. The tension between equity and development, they claim, should be recognised, and the two planned for separately in order for both to be achieved. These discursive tensions between equity and development continued from 1990 to 1997, when the higher education policy was made. The new state adopted a cautious response as it did not want to be seen as privileging one demand over the other. Rather, the new state attempted to balance these double higher education policy imperatives (Kraak, 2001: 14). The attempt to resolve the tensions between equity and development, however, contributed to the government’s reconfiguration of the system and institutions of higher education through mergers and incorporations. This is a necessary condition for a transformed higher education system which is able to meet the objectives of a developmental state.

h. Stratification Theory

The root of this theory lies in the apartheid government's education policy, which adopted a trinary system of higher education as proposed by the Van Wyk De Vries Commission of 1974. The trinary model proposed the following rigid differentiation of function between institutions: universities should focus on the research and teaching of science's basic fundamental principles, technikons should focus on applying scientific principles to technology and practical problems, while colleges should focus on providing vocational training. Some of the fundamental ideas of this trinary divide are unsatisfactory to various stakeholders. In 1995, for instance, the state acknowledged that higher educational institutions were working in isolation, while the system itself was characterised by inflexibility and rigidity. The trinary divide was problematic and difficult to sustain for the following reasons: career and professional training are aspects of university curricula, knowledge and the use of technology are dependent on links between disciplinary and interdisciplinary knowledge, and the technikons moved outside their core function of technology application by offering courses in the social sciences, commerce and business, and securing the right to offer degree programmes (Kraak, 2001: 15-16).

Since many of the complexities of policy implementation arise because those who end up implementing policies are not usually those who formulate them, the policy analyst has a vital role to play, not only in the formulation and analysis of policies and the identification of policy alternatives, but also in the offering of advice on their implementation. Since policy analysts play a strategic role in policy formulation, they are therefore responsible for analysing policy issues, monitoring and evaluating policy outcomes, and implementing and managing the entire policy process (Roux, in Kuye *et al.*, 2002: 76).

2.5.6 Policy Monitoring and Evaluation

Monitoring and evaluation are necessary processes in policy implementation. Policy monitoring refers to the process of finding out how the policy is performing. The monitoring process involves obtaining data about the policy through documents, tests, observation, records, feedback from clients, ratings by colleagues and physical evidence. The functions of monitoring include compliance, auditing, accounting and explanation:

- a) Compliance: Monitoring assists in establishing whether the actions of various stakeholders such as employees and programme administrators are in line with procedures and standards laid down by law makers, professional associations and regulatory agencies.
- b) Auditing: Monitoring assists in establishing whether the resources allocated for specific projects and beneficiaries were actually utilised for the purposes intended.
- c) Accounting: The monitoring process produces information, which is essential in accounting for the economic and social changes that follow the implementation of various programmes and policies.
- d) Explanation: The information that monitoring provides also provides reasons why the outcome of programmes and public policies differ (Roux, in Kuye *et al.*, 2002: 91).

The evaluation process entails the assessment of the outcome of the policy implementation process, to show whether programmes are effective. Evaluation determines the impact of policy outcomes (Quade, 1989: 272-273). It gives policy makers the opportunity to come to terms with the level at which they are achieving their set objectives and to act accordingly. Since policy is concerned with the attainment of goals, it is therefore sensible to find out if these goals have been attained (Colebatch, 1998: 67). Various kinds of professionals execute the

evaluation process. These include researchers within both public and non-public sectors, interest groups, officials and legislators. The evaluation process can either be based on systematic analysis of data or on political judgements and instincts (McCool, 1995: 160-161). The evaluation process produces policy relevant information relating to the shortfalls between expected and actual policy performance, and, according to Dunn (1994: 19), "...thus assisting policy makers in the policy assessment phase of the policy-making process". The information generated in the evaluation can help in the fine-tuning of current policy, set the stage for new policy processes, and even lead to the conclusion that a whole new policy approach is needed. The evaluation of a programme requires an objective and systematic framework in order to avoid the natural bias of programme managers and coordinators. In other words, the evaluation design should be prepared ahead of policy implementation in order to, according to Bonser, McGregor & Oster (1996: 51-52), "...include the collection of the necessary data and other information in the implementation plan. It cannot be properly done as an afterthought to implementation".

The essence of evaluation is providing information about current operations and their effectiveness, so as to make decisions about the future. Evaluation involves learning about the consequences of public policy in real world conditions and providing policy makers with information on the cost and impact of their projects and programmes, and assisting in efficient and effective allocation of resources. It also aims to assist programme managers in managing their programmes well (Quade, 1975: 225; Dye, 1995: 320-321). The other reasons for undertaking policy evaluation or assessment are:

- for the purposes of public relations;
- to test the feasibility of a principle, theory, assumption, theory, model or strategy;
- to measure progress made in the achievement of set policy objectives;
- to provide financial or political accountability;

- to redesign or implement strategies; and
- to learn lessons from a programme or project (Shafritz, 1998: 820).

A common trend today is to incorporate evaluation into the policy process. Various stakeholders such as the legislature, heads of department and interest groups often require evaluation of the activities of officials, departments, grants to various spheres / levels of government or non-governmental organisations, to ascertain the extent to which policy objectives are realised (Colebatch, 1998: 67). The different emphases on evaluation by various authors hinge on the fact that, while policy objectives are linked to outcomes, other objectives are not. Where possible, it is preferable to link policy objectives to outcomes. Policy evaluation or assessment, in its ideal form, should be considered a judging process to compare the objectives of policy with envisaged or actual consequences or results (Cloete & Wissink, 2000: 211-212).

2.5.6.1 Evaluation Constraints

Effective policy evaluation is often complicated, prevented or obstructed by difficulties, including the following:

- a) politically sensitive evaluation results, which lead to evaluations being conducted in a biased manner (Hogwood & Gunn, 1984: 227);
- b) evaluations which are not adequately conducted, for example when the resources needed for the process are not available or sufficient (Cloete *et al.*, 2000: 230);
- c) evaluation in which the information generated is incomplete and as a result, leads to inaccurate findings and conclusions (Hogwood & Gunn, 1984: 226);
- d) evaluation results which are very critical of management or decision makers and so may not be accepted (Cloete *et al.*, 2000: 231);

- e) integrated programmes or projects that cannot be separated and have a cumulative impact that makes it very difficult or even impossible to arrive at adequate conclusions about cause-effect relationships (Hogwood & Gunn, 1984: 226);
- f) evaluation that is considered useless as it is too late for specific purposes (Cloete *et al.*, 2000: 231);
- g) occasions where the objectives and goals of policy are deliberately hidden, not clear or absent and could possibly change during the life span of the programme or project (Howlett & Ramesh, 1995: 169);
- h) tight time frames that do not provide for sufficient time to conduct a thorough evaluation (Cloete *et al.*, 2000: 230); and
- i) impractical and very academic evaluations, which are therefore unacceptable (Cloete *et al.*, 2000: 231).

Policy analysis cannot identify all the defects or shortcomings of a policy because of the following difficulties:

- the government is not able to meet all the expectations or demands of a community;
- community issues which are defined in relative terms cannot be adequately resolved;
- obtaining all the data upon which the policy must be based is often difficult;
- quantifying a number of issues such as the measures for comparing the influence of two groups on a particular policy is difficult;
- various factors influence the rationality of political decisions, ranging from community values, politicians, interest groups and environmental factors to public officials;
- policy analysis may only provide improvement if relevant policy makers become aware of it and if they accept it as relevant and valid (Roux *et al.*, 1997: 150-151).

This study reveals that although the South African government intended positive outcomes through its higher educational policies, a number of negative outcomes remain. These include difficulties in achieving culture integration, and many students cannot afford the costs of higher education. Furthermore, the right of universities to determine what courses to teach has been eroded, and financial allocations to higher educational institutions is not sufficient to meet the objectives of transforming higher education and meeting the developmental goals of the country.

2.5.7 Policy Option Generation

The aim of policy analysis is to find the best alternative (policy option) available under the circumstances (MacRae & Wilde, 1979: 45). This is finding the best solution or alternative to a problem, that is, setting out all the possible actions which could accomplish the desired goal. This requires, according to Roux (in Cloete & Wissink, 2000: 129), "...a systematic search, including various methods and techniques such as cost-benefit and cost-effectiveness analysis of all potential or possible alternatives". The policy options (alternatives) under consideration may have to be expanded if the outcomes of policy process are defective. This can be achieved not only by the contribution of a few leaders and policy analysts, but also by considering the views of all stakeholders (Lindblom & Woodhouse, 1993: 4).

2.5.7.1 Requirements for Generating Alternatives

If all relevant information is available to the analyst, alternatives can be generated by employing imagination, sound judgement, intuition, creative thinking and the ability to invent and design. In the process of using imagination and creativity in the quest for alternatives, no assumption may be accepted dogmatically without questioning, and different views must be taken into

consideration without overlooking any particular one as irrelevant (Roux, in Cloete & Wissink, 2000: 130). Policy analysts also need to ensure that all assumptions are open to interrogation, and, according to Roux (in Kuye *et al.*, 2002: 80), "...that inquiry is not biased in favour of a particular outcome".

The following requirements must to be borne in mind by policy analysts:

- a) it may not be possible to find perfect policy alternatives since a multicultural society entail the presence of complex problems and multiple goals, which an alternative may not necessarily be able to satisfy;
- b) subjectivity must never overrule objectivity, in other words, alternatives must be evaluated without bias, and techniques such as cost effectiveness and cost benefit analysis should be utilized; and
- c) policy analysts should avoid the temptation of formulating too many alternatives. The alternatives should be reduced to those that are important. Although three to seven alternatives are sufficient, only one of these should reflect current policy, in order to avoid bias for change (Roux, in Cloete & Wissink, 2000: 131-132).

2.5.8 Concluding Paragraph

Policy analysis relates to determining which of the policy alternatives will best achieve determined objectives. Policy evaluation, which is an aspect of policy analysis, and which relates to assessing the outcome of the policy implementation process, may be constrained a number of factors such as political interference and inadequate resources.

2.6 CONCLUSION

This chapter reviewed relevant literature on Public Administration. It examined the theoretical foundations of Public Administration and specifically public policy, since policy options to government intervention in higher education are under consideration in this research. Public Administration studies the development and implementation of government policy by government agencies. The study of policy relates to the way organisations function, and how they should be steered. Public policy making, analysis and implementation have been shown to be necessary for any government or organisation that hopes to accomplish particular objectives.

Policy analysis aims to find the best available options to address the needs of the public in the best possible way. It ranges from research into a case or problem in order to bring clarity, to the evaluation of a completed programme. A well-structured written report, which complies with scientific report-writing techniques, is the first concrete result of a well conducted policy analysis.

The chapter shows that policy implementation is a complex activity, especially as it involves a consideration of the interests of various stakeholders or interest groups. Policy makers are faced with the challenge of designing policies that meet set goals, while at the same time dealing with political change, group conflict and resistance to implemented policies. Since many of the complexities of policy implementation result from the fact that those who end up implementing policies are usually not those who formulate them, the policy analyst has a vital role not only in the formulation and analysis of policies and in identifying policy alternatives, but also in offering advice on their implementation. Since policy analysts play a strategic role in policy formulation, they are responsible for analysing policy issues, monitoring and evaluating policy outcomes, and for implementing and managing the whole policy process.

Policy option generation involves finding the best policy alternatives to a problem. Policy options are necessary in terms of a policy that fails to achieve the purposes for which it was developed. To come up with alternative policies, analysts have to be objective and consider various views and positions equally, without undermining any position. Analysts need to possess sound judgement, intuition, imagination, creativity and the ability to design and invent.

The role of ethics in policy analysis was highlighted in this chapter. It has been shown that policy analysts are faced with the challenges of remaining objective and fair in the way they carry out their analytic work. As human beings, they are tempted to favour particular interests. However, they need to be able to balance the interests of all stakeholders in a way that reflects organisational values and principles. In this regard, policy analysts need to possess certain characteristics like competence, discretion, integrity, honesty, loyalty and diligence.

The following chapter will examine the international context within which the system of higher education in South Africa operates. This is important since the South African higher educational system was adapted from international best practices. The chapter will also review the South African higher education context and policy developments.

CHAPTER THREE

A CASE STUDY REVIEW OF TRENDS IN HIGHER EDUCATION

3.1 INTRODUCTION

The previous chapter reviewed relevant literature on Public Administration and specifically public policy, because policy options are under consideration within the thesis, which examines government intervention in higher education. This chapter reviews international trends in higher education and the South African higher education context and policy developments. It examines governments' intervention in higher education and their universities' quest for autonomy, cases of government intervention in selected countries, funding higher education, the impact of globalisation on a country's ability to provide higher education, impact of weakened support for higher education, and attempts to improve higher education.

This chapter explores the second, third and fourth research questions on the international context within which the system of higher education in South Africa operates; the South African higher education context and policy processes, the reasons for government intervention in higher education and how these reasons relate to the process of transforming higher education?

The restructuring of the system of higher education in South Africa, in fact, is a reflection of global trends in higher education. South African legislation and policies have in many cases been adapted from international best practices, though altered to suit the South African developmental context to portray the past system of education in the country and imagine its future in specific ways.

Two trends are noticeable in the development of higher educational structures internationally. The **first** is an attempt by governments to get more involved in higher education, and the **second** the lessening of financial support to higher education from governments. Although government and higher institutions are pulled apart by their respective desires for institutional autonomy, they also find themselves in closer alliance as a result of their desires to serve national economic interests.

3.2 INTERNATIONAL TRENDS IN HIGHER EDUCATION

This section exposes the international context within which the system of higher education in South Africa operates. This context is important to the development of higher education in South Africa. Social and economic developments worldwide are driven by the application and advancement of knowledge. Education, especially higher education, is fundamental to the construction of a knowledge-rich society and economy. Nonetheless, the systems of higher education in developing countries appear to be unable or ill-equipped to adequately address this task as a result of problems in governance, finance, equality, equity, globalisation, advancements in information and communication technologies, and labour markets (Saint, Hartnet & Strassner, 2004: 1). The system of higher education globally appears to be going through a period of crisis and change as the whole system is evaluated in new ways with a view to adapting to changing priorities and objectives (Jaques & Richardson, 1985: xv).

Two of the oldest institutions in the world are the university and the Catholic Church. Universities have the responsibility of preparing students for working life, since there is, according to Erichsen (2002: 1&9), "...a close connection between universities and the labour market". A number of global trends in higher education are reflected in the restructured higher education system in South Africa. The South African higher education only recently joined international

developments, the lag resulting from the earlier apartheid system. South Africa's policy and legislation have in many cases been adapted from international best practices (Lemmer, 1999: 179). These adaptations are, however, contextualised to suit developing South Africa, and according to Winberg (2004: 91), "...also contain a narrative, which represents South African higher education in the past, and imagines its future in particular ways".

It is not uncommon to draw from international best practices. Countries around the world experiencing problems with transformation policy processes in higher education tend to derive their ideas from countries which have already solved implementation complexities. The consequence of this practice is that the educational policies of these countries become similar to a large extent (Lemmer, 1999: 179).

Two trends are noticeable within higher educational development structures. The first is an attempt by governments to get more involved in higher education, and the second the lessening of financial support to higher education from governments. What emerges, as a result, is almost a paradox: the government becoming more managerially involved in higher education and at the same time less financially involved. This worldwide trend has been described in various terms such as:

- new managerialism,
- an expression of globalisation and
- a new kind of agenda of the state for institutions (Jansen, 2002).

Universities around the world are compelled to operate like businesses because of decreasing state funding, an emphasis on quality, the marketisation of universities and the implications of economic imperatives. Since the 1980s, higher education elsewhere in the world has been swept into a system of managerialism and organisational reform which employs the management values

of industry and business (Taylor, Henry, Lingard & Rizvi, 1997: 81). Higher education worldwide, including that in South Africa, is subjected to various forces. The corporate revision of higher education, for instance, changes the management systems of higher institutions and affects the functionality of individual academics. For instance, the demand posed by institutional and financial management, a demand that many academics are neither inclined towards nor trained for, erodes the time available for academic scholarship and research. The culture of academic collegiality is shifted by the detailed performance measurement of academic staff members, departments and institutions, which is reflected in performance indicators. This turns such academic members' attention to incentive schemes, in which there is a precise measurement of workload distribution and the systems of performance appraisal copied from business are applied to the field of academics. In efforts to focus more on measurable research outputs, academics are tempted to do less teaching and community service. Higher educational institutions worldwide have also embarked on retrenchment and rationalisation of academic activities in cases where they believe that lower running costs will not compromise institutional efficiency. As a result, the academic profession has been split into full-time and part-time workers, the latter of whom constitute a larger group, with short-term contracts that make them the cheaper option (Lemmer, 1999: 187).

3.3 GOVERNMENT INTERVENTION IN HIGHER EDUCATION – THE QUEST FOR AUTONOMY

The extent of government intervention in higher education differs from country to country and depends on the kinds of issue confronting these countries. In some African countries such as Nigeria and Sudan, government influence has increased, while it has decreased in other African countries such as Kenya and Uganda. The agitation for greater autonomy by higher institutions internationally is beginning to be taken seriously by various governments, though, for differing

reasons. Governments in various parts of the world are interested in reexamining their interaction with higher institutions, prompted by the rising cost of higher education, increasing numbers of high school leavers seeking access to higher education, and competing financial priorities (Chapman & Austin, 2002: 13). Although government and higher institutions are pulled apart by their desires for institutional autonomy, the two also find themselves in closer alliance as a result of their desires to serve national economic interests. One of the greatest challenges to reform in higher education in developing countries is balancing financial responsibility and operational control, since higher institutions desire less interference by government in their management and administration while still depending on public funds, and governments refuse to relinquish state authority over the affairs of higher institutions while seeking to be less financially involved (Chapman *et al.*, 2002).

3.4 FUNDING HIGHER EDUCATIONAL INSTITUTIONS

Internationally, governments were for many years the largest contributors to universities' funds. However, new governments are searching for means to play a lesser role in funding higher institutions. The quality of education in a number of universities world-wide, especially in Africa, has been undermined by insufficient funds available for capital investment and for the smooth running of these institutions (World Bank, 1988: 74). There are a number of reasons for the move by governments abroad to limit the extent of their financial involvement with higher institutions. The move by higher education towards autonomy, privatisation, and decentralisation is seen in some countries as giving government justification for financial disengagement from higher institutions, in the process leading higher institutions into financial ruin (Chapman *et al.*, 2002: 11).

As a result of increasing competition for public funding by other sectors, universities no longer enjoy guaranteed funding. According to Erichsen (2002: 2) “...there is increasing pressure on the universities to justify their need for public funding and they have to meet the requirements of public accountability”. Governments have made it clear to university officials that research and budgetary allocations are dependent on adequate academic (and political) behaviour on their part (Altbach, 2000: 270).

As state funding of universities decrease, universities have no choice but to rely on other sources of funding as well as on their success in the marketplace in generating funds. The predominant pattern in Western Europe is the attempt to shift financial commitments to regional governments, and in the US and UK to shift it to students through loans and fees; Business and industry is not left out of the equation as they are also saddled with financial responsibilities towards higher education, to students in the form of fees and loans. The *South African White Paper on Higher Education Transformation* encourages universities to seek funding from other sources such as, according to Lemmer (1999: 181-182), “...employer contributions, bequests and donations, institutional investments, contracts and consultancies and the expansion of private programmes and institutions “.

As government’s funding decreased in the Laos People’s Democratic Republic, the need for higher institutions to generate more of their own funding was widely discussed. Advocates of this position contend that the cost of higher education should be borne more by students themselves as is the case in many countries, especially as the graduates are the ones who derive long-term benefits from higher education. Moreover, academic staff is also expected to play a major role in developing alternative income streams by means of consulting services and the sale of research products (Chapman *et al.*, 2002: 12).

The National University of Laos (NUOL) has devised various means of subsidising the institution's budget, through the creation of an informal private university system within the structure of the National University system. The National University offers free education (no tuition fees), lectures are taught in Laos language, and, with a view to providing equity in admissions, university places are allocated by means of a complex formula. On occasions when the national government is not able to provide the budget allocations of this institution as a result of inflation, the academic staff are given the opportunity to teach special English language courses, for which there are no scholarships, at exorbitant fees in various subjects in the evenings. The income generated from these lectures is used to supplement their income and to subsidise the budget (Chapman *et al.*, 2002: 12).

Although higher educational institutions need to seek alternative income sources, this approach turns universities to a market-driven system exposed to a variety of funding stakeholders. The core functions of the institutions, their integrity and independence may be compromised in the process. A consequence of the Laos arrangement was that the academic staff incentives were distorted by the special evening programme. Institutional administrators were no longer able to control teaching staff time. The struggle by academic staff members to increase their income impacted negatively on their ability to utilise sufficient time to improving teaching, providing service or conducting research. Moreover, the special evening programmes that provided them with additional income became their priority, while the university's regular day programme was gradually neglected. In turn, the quality of the institution's regular academic programme was compromised. The end result was that the attempt to provide the funds needed for improved quality of education did not produce the desired result (Chapman *et al.*, 2002: 5, 12-13).

The level of financial disengagement by government has negatively affected the smooth running of higher institutions in many countries. Some universities have

doubled their tuition fees with the result that many students are not able to continue with their studies. A number of countries, however, have tried various means of minimising the impact of this trend. In the United States of America, for instance, the Federal Government is currently the major sponsor of student financial aid, especially as its public policy for higher education prioritises equal opportunities, fairness and need-based student assistance. Students' financial aid is aimed at enabling all financially needy students, irrespective of their age, to have access to higher education. Adult learners are not always able to pay for their education, since many of them have other commitments such as taking care of their immediate families' needs. Financial aid has played a significant role in enabling underprivileged students to gain access to higher education and, as a result, access to better appointments (Hatfield, 2003: 27).

The underdevelopment of a number of African economies has had negative implications for their systems of higher education. On the one hand, it has contributed to lessening of financial allocations by governments to higher education, while on the other hand, the level of government intervention in the affairs of higher institutions has also diminished as a result. As the state contributes less to universities, the universities gain greater self-regulation in line with national objectives. Such institutional regulation does not amount to greater autonomy. Rather, it is an altered autonomy, a conditional autonomy based on the ability of the higher institution performing well and in line with certain performance indicators, which are, according to Lemmer (1999: 183), "...cost, student throughput, exit trajectories, research contracts, ratings compared with other institutions and, in a South African context, evidence of redress".

3.5 CASES OF GOVERNMENT INTERVENTION IN HIGHER EDUCATION

There are many instances around the world in which government has directly intervened in the affairs of higher institutions. The following section explores

governments' interference in a number of selected countries. These countries have been selected to show that the South African government's intervention in its system of higher education is not an isolated case.

3.5.1 Nigeria

One major problem facing universities in Nigeria since the country's independence in 1960 is excessive interference, regulation and control by the Nigerian government in the establishment of new departments and academic programmes. The appointment, renewal or termination of the appointment of the Vice-Chancellors of federal universities is the prerogative of the president of the country, based on the recommendation of the universities' councils. The government justifies its actions by saying that leaving such appointments in the hands of university authorities tends to generate tension, rivalries, jealousies and even violence among the contenders and other stakeholders. University councils tend to be powerful as they cannot be disbanded by any university organ without presidential approval. In many cases, universities' staff and students do not approve of the Vice-Chancellor imposed on them, but the Federal Government considers its appointments binding and not subject to opposition by disgruntled stakeholders. The implication is that many such appointees do not enjoy the support, dedication and cooperation of their fellow academics (Oshagbemi, 1998: 16-17).

The development of the system of higher education in Nigeria has been marred by the intervention of various military regimes. In 1980, the standard of higher education in many academic disciplines was comparable to international standards. By the middle of the 1990s, however, the state of higher education had deteriorated considerably. The military regimes progressively starved universities of funds in retaliation for academic staff and students' opposing the military's influence on the autonomy of universities. Though enrolments increased between 1990 and 1997, for instance, national allocations to higher

educational institutions decreased by 27%. This led to a dramatic fall in the quality of higher education and research. The 1990s was characterised by staff and students' strikes and closures of universities as a result of political repression on campus, inadequate salaries and conditions of service (Saint *et al.*, 2004: 1).

The crisis in Nigeria's educational system is evident in its ill-structured curricula which are not able to meet the needs of the country, dilapidating and decaying infrastructure, unstable academic calendars and over-bloated bureaucracy, mediocre management and inadequate funding. For instance, students in various fields such as zoology, engineering and information technology do not, in many cases, have the required materials for their studies. Universities in Nigeria rely almost exclusively on subsidy from national government, since free tuition fees are guaranteed by the Federal Government in its higher institutions (This Day News, 2004).

The academic quality of university graduates in Nigeria is currently inadequate, both as a result of the above factors and also due to shortcomings in technical skills acquisition. University admissions in Nigeria do not seem to take the needs of contemporary society into account. This is in contrast to the norms in many progressive countries around the world, where the needs of society and market demands have become the determining factor for student enrolment and bursary allocations or scholarship awards. The poor quality of university programmes and graduates in Nigeria can also be attributed to: a lack of adequate quality assurance measures, since accountability for academic performance is not strictly enforced; inadequate funding by government; corruption; mismanagement; incessant strikes; insufficient numbers of staff; admission based on a quota system instead of merit; and a lack of motivation by most employees of higher educational institutions (Saint *et al.*, 2004). Although the number of entrants to higher education is increasing annually, the unemployment

rate keeps rising as most public and private sectors do not have adequate vacancies and graduates are not able to create employment for themselves.

The reform of the higher education system in Nigeria is for many reasons, including those stated above, a necessity, as various stakeholders have recognised. The Federal Government of Nigeria is exploring various means of disengaging itself financially from higher education, but has put forward the following strategies for reform:

- to give universities greater autonomy;
- to attract funding from the private sector;
- to meet the demands of the national economy through the restructuring and updating of curricula;
- to effectively monitor higher education to ensure adherence to minimum standards;
- to ensure that academic staff keep abreast in their areas on discipline and emphasise the values of discipline; and
- to inspire selfless service and hard work among students (The Guardian, 2004).

It is doubtful whether the system of higher education in Nigeria, which is dependent on the Federal Government for the largest part of its funds and highly regulated by government, can be autonomous. The autocratic nature of the system of governance in Nigeria as well as the widespread corruption and a lack of transparency, accountability, justice and fairness may not ensure the realisation of an optimal system of higher education, inspite of the fact that Nigeria is endowed with great natural resources.

3.5.2 Britain

Higher education in the United Kingdom is currently under internal and external pressure to change. Pressures include the need to address the concerns of industry and to lower the high cost of education. Intervention by the British government in the higher education system has tended to promote industrial values. When the Conservative party came into power in 1979, its intention was to raise the level of competitiveness of the British industry, and higher education was to play a vital role in this process. The problems of the British economy in the 1980s were seen as resulting from a lack of enterprise, and the government attempted to transform its economy through enterprise culture. Through its Training Agency, it initiated the Technical and Vocational Education Initiative in 1982 (TVEI) and extended this into universities in 1987 through the Enterprise in Higher Education Initiative. Institutions that were willing to add enterprise skills into their course contents were offered grants (Tasker & Packham, 1994: 150-151).

The British government also cited the following reasons for exercising greater control over the universities in Britain: the inability of these institutions to describe their mission in terms of worth to the country, and their inability to adequately express the means employed in ensuring quality assurance in research and teaching in a manner that the public can easily understand. The institutions lacked uniform and valid measures of assessment (Ward, 2001). Educational reform in Britain under the leadership of Margaret Thatcher, however, emphasised a lesser role for the state in higher education while relying fundamentally on market forces for the provision of all forms of services (Levin, 2001: 38).

Currently, higher institutions in Britain are confronted by greater government intervention. Although the government encourages greater market competition, corporate identity and managerial authority for higher educational institutions, it

does not, as a result of its prescriptive policies, such as the 2003 White Paper on Higher Education and its education ministers, “abdicate responsibility for the provision of higher education...” (King, 2006: 10).

3.5.3 Brazil

The federal government in Brazil has always traditionally had the function of ensuring that all higher institutions with degree programmes adhere to recommended minimum standards and the same national and core curricula. Professional councils organised and supervised by the government, control professional practice. The procedures and contents of both public and private higher educational institutions have traditionally been regulated by very detailed government legislation. Brazil's *Constitution* of 1988 provided for total university autonomy in academic, administrative and financial matters. The implementation of these provisions, however, became subject to diverse interpretations. In spite of established policies on planning and coordination, higher education in Brazil continues to be involved in conflicts and negotiation. The Ministry of Education is mostly responsible for matters of higher education. Furthermore, the government of Brazil considers its Education Ministry to be a political ministry meant for distributing political patronage and benefits in return for political support. Only during the two-year reign of Jose Goldemberg between 1990 and 1992 was this pattern not the norm. He resigned in 1992 in the middle of a political crisis (Schwartzman & Klein, 1994).

In Brazil, the clash of interests between government and higher education has led to the government's resistance to institutional autonomy. Brazil has the lowest enrolment of relevant age groups in tertiary institutions in South America. Although government and higher education officials in Brazil recognise the need to expand the system of higher education, the high cost of the federal system constitutes a major impediment to such expansion. The irony of the situation in

Brazil, however, is that the high cost of the federal system is not so much a consequence of legitimate expenditure needed to maintain high standard of education, but is more related to inefficiencies. For instance, according to Chapman (2002: 11), "...the determination of staffing levels, salaries, and criteria for promotion are centralised at the national ministry. Institutional level administrators have little control over the allocation of faculty time or reward structures".

In an effort to improve efficiency and to create mechanisms which allow for the retention of savings at campus level to be reallocated to areas of higher priority, increased institutional autonomy was offered to university administrators in Brazil by the Ministry of Education. However, fierce opposition emerged from students, academic and non-academic staff alike who feared that the benefits they have come to derive from national government would be reduced as a result of greater autonomy from the government. The situation in Brazil therefore stands as such: although it is generally accepted that the current system of higher education cannot be sustained, the distribution of resources and power will be under threat if higher institutions are given greater autonomy. The introduction of efficiency measures would bring losses to academic and non-academic staff and students, because the current system provides job security to staff in a system that is overstaffed; academic staff retain light teaching loads and generous remunerations; and students would prefer to keep having access to free higher education though this system favours those from higher and middle income classes (Chapman, 2002: 11). This case shows that while many higher institutions around the world are clamouring for greater autonomy from government interference, such changes can have unexpected negative results.

3.5.4 Tanzania

There were no tertiary institutions in Tanzania at the time of its independence in 1961. As a result, the Dar es salaam University College was established in 1961.

During this period, the National Plan of the Tanzanian government emphasised the development of higher education geared towards technical and administrative expertise. The University College became a fully fledged university ten years later. In order to enable poor students to gain advanced education, fees were not charged; rather, students were required to serve designated public sector institutions for up to five years after graduation (Thomas, 1992: 237). In the late 1980s, however, formal cost sharing in higher education was introduced as a result of the economic crisis which led to the reduction in government's financial support to higher institutions and as part of its social and economic reforms under the International Monetary Fund (IMF) / World Bank sponsored Structural Adjustment Programme (SAPS). The government also introduced grants and repayable student loans for needy students for which parents or guardians were signatories. Concerns were, however, raised by parents and guardians as to how such loans would be repaid in cases where such beneficiaries were unemployed after graduating (University of Buffalo, 2002).

Tanzania's education system, which was once seen as a progressive and appropriate model for poor developing countries to emulate, has been marred by shortcomings and faces problems such as low student enrolment in the fields of science, and inadequate funding and gender imbalances (World Education News and Reviews, 2003). The government is seen as one of the obstacles to greater university autonomy as funding and governance requires governmental approval. University administrators have traditionally been perceived by academic staff and students as an extension of party and government control, and, according to the Partnership for Higher Education (2005), "...the state still retains a strong impulse towards political and bureaucratic control of what goes on" within the higher education sector. Its *Education and Training Policy* of 1995, therefore, emphasises the need for increased student enrolment, promotion and encouragement of continued international cooperation through publications, student and professional exchange, liberalisation and expansion of higher education. It also proposes cost sharing (more financial contribution from

parents) because the reliance on funding by the state produces an inefficient institution, insufficient resources, lack of accountability, low student enrolments, student unrest and high unit costs (Mkude, Cooksey & Levey, 2003: 103 & 85).

3.5.5 Mongolia

An examination of the relationship between the government and higher educational institutions in Mongolia reveals that during the country's period of rapid transition not all components of the higher education system embraced reform at the same rate and not all participants agreed on the shape of the new structure toward which they were moving. During the transition period, these stakeholders struggled to build a new consensus, especially as the policies and regulations intended to implement the transition were not all made at once, but were phased in incrementally. This resulted in misalignments. The policies did not work as intended because supporting economic structures, social views and legal frameworks were not yet in place. During this period of transition, intentional as well as unintentional misunderstandings surfaced, since the differing interests of government and higher institutions replaced collective interests (Chapman, 2002: 14).

Mongolia is situated between Russia and China; that is, between Eastern Europe and Asia. Until the early 1990s, Mongolia had a close relationship with the Union of Soviet Socialist Republics (USSR), which heavily influenced its economy. A third of Mongolia's Gross Domestic Product (GDP) was subsidized by the USSR, while the Mongolian government was able to allocate substantial funds from external contribution to all its public sectors, including higher educational institutions. During this period, the whole sector of education was owned and governed by the Mongolian government, and there was guaranteed free and equal accessibility and ownership to education. Mongolia was able to achieve a 97 percent literacy rate as it ensured that its largely nomadic population was reached through a strictly planned, centrally controlled and vigorously organised

system of governance. However, the collapse of the USSR led to dramatic changes in Mongolia, including the evaporation of external financial support and a subsequent fall in the country's rating to one of the poorest in the world. With the collapse of the socialist principles of social development, Mongolia had to re-examine its processes of development, as fundamental reforms of all social sectors, including higher education, became imperative. The government saw the reform of the system of higher education as playing a central role in the whole reform process and therefore in the construction of a new society. The higher education system was badly affected by the turn of events as it had to deal with inevitable financial and ideological changes (University at Buffalo, 2003).

With the crisis in Mongolia as a result of the collapse of the Soviet Union, the government had to drastically reduce its expenditures on higher education and other public expenditure programmes. Students' stipends were eliminated by the government between 1993 and 1994. Tuition fees and student loan schemes were introduced but did not lead to a drop in the number of student enrolments. Primary and secondary education received more funding than higher education. Higher institutions derived extra funding from international organisations, tuition fees, gifts and individual contributions. Currently, tuition fees are high in comparison with other countries, to such an extent that expenses, including full academic salaries and laboratories are expected to be covered by these fees. In spite of the dramatic reduction in state allocations to higher institutions, these institutions do not have total autonomy in determining when tuition fees should be increased (Weidman & Bat-Erdene, 2002).

3.5.6 Lessons Learnt

What transpires clearly from these examples is that, although higher educational institutions around the world are guaranteed partial or total autonomy, the implementation of these provisions is subject to diverse interpretations. Studies

have shown that government intervention in higher education can be excessive and supported by regulations and control measures. Governments may use the denial of (sufficient) funding as a mechanism to ensure that higher institutions do exactly as they are told. In countries such as Nigeria and Sudan, excessive governmental interference has led to the collapse of infrastructure and the loss of materials necessary for conducive learning, research and output. It has also led or contributed to frustration and a lack of motivation among staff and the emigration of academic staff to other countries.

The following are other reasons noted in this section for government intervention in higher education:

- the need to address the concerns of industry and lower the costs of higher education;
- the need to make higher education accessible to everyone;
- inability of higher institutions to show how they ensure quality assurance in teaching and research and lack of valid measures of assessment;
- the need to ensure that higher institutions with degree programmes adhere to recommended minimum standards, and the same national and core curricula;
- use of ministries of education as political ministries for the purposes of distributing political benefits and patronage in return for political support;
- clash of interests between government and higher institutions;
- centralising the determination of staffing levels, salaries and criteria for promotion at the national ministry of education;
- in cases where the ministries of education attempt to devolve greater autonomy to higher institutions, opposition from those institutions that had come to enjoy governmental benefits; and

- the evaporation of external financial support and the collapse of socialist principles of social development.

Government intervention, which is balanced with the interests of higher educational institutions, as seen from this study, may ensure that higher institutions are accountable for the resources placed at their disposal. Institutions where governments do not emphasise the need for accountability are prone to corruption and non-judicious use of government resources.

3.6 IMPLICATIONS OF AUTONOMY

Higher educational institutions are organised as loose confederations of independent parts. They are structured in such a way that their staff can carry out their often difficult functions independently. Such independence provides them with the space to be able to integrate, transfer, create and apply knowledge. That is why the academic staff of universities are not well disposed to giving up the kind of opportunities that their independence offers (Cotter, 1998: 10-11). Research has shown that this claim to autonomy also has negative implications. For instance, increasing autonomy has the danger of separating universities from each other, resulting in universities' losing their influence on the general framework which the state and society determines and which impacts on the academic functions of universities. International experience shows that universities have to organise themselves in a manner that makes it possible for them to speak with one voice, if they hope to have substantial influence on what government determines for the higher education sector. In Germany, for instance, according to Erichsen (2002: 19), "...the universities articulate their views via the Association of Universities and other higher education institutions, called the German Rectors Conference. Due to the federal system, each region has in addition its own conference". In South Africa, universities articulate their views through the Higher Education South Africa (HESA).

The financial problems that higher educational institutions confront have negative implications for their autonomy. Since higher institutions have to source alternative funding to make up for the shortfalls in the amount they receive from the government, their integrity, autonomy and academic freedom are jeopardised, as they have to focus on how to raise additional income. Their research and community service functions are also compromised since less time is devoted to them.

The autonomy of higher institutions is further compromised because the governments of many countries lay down criteria that higher institutions have to meet in order to get government grants. These include regulations as to what courses they can and should teach and how many students they can admit for specific programmes (Jansen, 2002; 2003). This trend undermines programmes that are not considered of worth in the economy, especially programmes in the arts and humanities.

Public confidence in higher education has been dwindling as a result of the low quality of graduates. Since society is higher institutions' major funder and beneficiary, higher institutions are obliged to account to society. As society operates interdependently, higher institutions have no choice but to account to society through controlling bodies such as the government. The state, through the government, has the duty to serve its people's welfare and the constitutional power to steer and develop the education system. The state can legislate on higher education matters and ensure that institutions do not deviate from their mandates. Therefore, according to Fourie (2004: 2), the state "...has to create a coherent and well-structured education system and has to provide both the financial and physical resources required to operate that system". A difficulty that keeps recurring in the government's mandate, however, is how to balance its functions to maintain the legitimate rights of higher educational institutions to institutional autonomy and academic freedom.

3.7 MARKET- DRIVEN BASIS OF GLOBALISATION

Globalisation appears as a response to the changes in the world, mainly from an economic market-driven perspective. Globalisation can be considered as the integration of the world into a single market. It is a process aimed at socially re-engineering the world in the best interests of Western capital. Although the very notion of globalisation can be interpreted in various ways, and is subject to disagreements, a general understanding is that it has led to interdependent societies and national economies and homogenised cultures which have made it impossible to overlook the domestic policies of other countries. Globalisation, according to International Labour Review (2004: 1), can be generally understood as "...a combination of freer trade, technological progress, growth of cross-border production systems and increased capital mobility, information flows and communication...". Various powerful institutions such as the Breton Woods and the World Trade Organisation aim at ensuring that this market ideology prevails in all countries.

3.7.1 Meeting contemporary economic challenges: the shift to an economic role for universities

The shift to an economic role for universities is occurring not only in influential Western democracies, but also in developing as well as less developed countries. Universities in these countries have become important tools of progress to the extent that higher education is considered a means of carrying out many of the economic agendas or policies of governments. A report by the Organisation for Economic Cooperation and Development (OECD) (1983 and 1987) titled *Universities under Scrutiny* accuses universities worldwide of largely failing to meet the economic challenges of the late twentieth century. A crisis of performance resulted as a consequence and this also led to an inability among higher institutions to properly define what they should be achieving. The

governments of countries such as Canada, Australia, Britain, the United States of America, South Africa and Singapore have also expressed similar concerns. In light of international competition, these governments, according to Lemmer (1999: 179-181), "...called on universities to promote regional and national development and ensure economic efficiency".

A simple solution suggested by policy makers as a means of addressing the crisis posed by these economic challenges is that an indigenous pool of well-qualified human resources should be produced by higher institutions, especially in the areas widely seen as the engines of growth and progress, that is, science, technology and management (Lemmer, 1999: 181).

3.8 MERGERS IN HIGHER EDUCATIONAL INSTITUTIONS

A number of countries such as Britain, United States of America and South Africa have embarked on a programme of the sudden creation of universities out of other tertiary institutions such as polytechnics, technikons, technical colleges and vocational schools as further means of addressing the skills shortage. A number of such cases will now be examined, especially since such mergers are also taking place in South Africa, and, as these mergers are a form of government intervention in higher education, have implications which need to be evaluated.

3.8.1 New British Universities (Former Polytechnics)

British polytechnics were historically considered as of lower ranks than universities in the provision of higher education, as they did not have the power to award degrees and also since their areas of concentration were vocational instead of academic. For a number of years, these polytechnics, therefore, cherished the idea of being accorded the status of universities. They looked

forward to the administrative autonomy that British universities' academic personnel enjoyed, as well as the status associated with the granting of university degrees (Ward, 2001). British polytechnics were granted university status in 1992. Currently, these institutions continue to offer courses that are professional and career/vocational-oriented, or degrees of a more general nature. A number of these institutions have moved away from their mission statements which emphasised teaching, to competing with older institutions for funding in the areas of applied research. Some have gained more success than other institutions in this regard. These successes vary from institution to institution (Department of Education, 2004: 7).

One of these new universities, the London Metropolitan University (LMU) is currently one of the largest higher educational institutions in Britain. This university emerged from the merger of London Guildhall University (now known as London City Campus) and the University of North London (now known as London North Campus). The university focuses on providing vocational and business courses, offered at the pre-degree, undergraduate and post-graduate levels as both taught and research programmes. Pre-degree study consists of preparatory courses towards undergraduate programmes; undergraduate degrees consist of two-year programmes that combine academic knowledge, technical skills and 'transferable skills'. The university's mission statement reflects commitment to accessible education, responsive programmes and engaging actively with the society and economy of London and the international community at large. The institution consists of nine research centres, which are attached to academic departments. Services are provided by these centres to outside organisations and clients based within the public organisations, businesses, communities and public bodies around London (Department of Education, 2004: 8).

3.8.2 Land-Grant Institutions

The land-grant system is a term that describes territorial and state higher institutions in the United States of America (US), which receive support from the Federal Government for integrated programmes in agriculture, food and environmental systems. The US land-grant universities were established by the *Morrill Act* of 1862. These are probably the oldest examples of higher institutions established to enable the population to have access to practical modes of higher education. The Act mandated the Federal Government to make available a grant of land to each state for the establishment of a college. The objective of this process was to ensure more accessible higher education to those who were denied the opportunity of access. The system of higher education, which was at that time the prerogative of a small elite, was also limited to a few classical programmes such as agriculture and ancient studies (West Virginia University, 1999).

The original mission of these colleges was partly to teach and improve agriculture in America, especially by means of agricultural experimental stations-programmes, military programmes, the mechanic arts and classical studies in order to enable members of the working classes to acquire practical education, and general studies that aim at broadening the mind (West Virginia University, 1999), and to make services available to the surrounding communities. The mission of such colleges has been expanded to also include applied and basic research. There are currently, according to the Department of Education (2004: 6) "...105 such colleges and universities, including some of the country's most prestigious institutions such as Purdue, Rutgers, Cornell, Texas A & M, Florida State and Iowa State." Each state, territory (area which is not yet admitted to full rights of a state) of the United States and the District of Columbia has at least one land-grant institution, while some western and underdeveloped or rural states have a number of land-grant rural colleges (West Virginia University, 1999).

The system developed in the US to promote issues of access and institutional and programme diversity is now well established. The process of development followed the path of developing a wide variety of technical and career majors within the universities, as well as establishing professional schools. Provision was also made for those students who did not comply with university degree entry requirements to attend two-year junior colleges or community colleges. The latter offered a number of short-term vocational and directly work-related courses. It also offers general education programmes which can qualify students for admission to senior, four-year colleges. The courses offered at these colleges are designed in such a way that students graduating are absorbed into the labour market (Department of Education, 2004: 6-7).

3.8.3 Polytechnics in Finland

The system of higher education in Finland is another example of the merger of higher educational institutions. The system had two sectors, namely polytechnics and universities. The polytechnics are more practically inclined in their training of professionals. For many years, the Finnish government saw the drivers of development as resting on a strong link between higher education, research and technology. A number of new universities were created by the government from the 1960s onwards in various parts of the country, and strong emphasis was placed on technology and engineering as the core areas of concentration. As a response to the major economic depression faced by the country in the early 1990s, the Finnish government gave priority to transforming the country into a knowledge-rich society, through a number of strategies. A number of universities, especially Tampere University of Technology, Helsinki University of Technology and the University of Oulu, were established and they played a significant role in ensuring the development of a knowledge-rich society (Seinajoki Polytechnic, Undated).

Another strategy was to increase the number of student enrolments in higher education, especially in the field of technology. A wide network of polytechnics was established in the 1990s as a result of radical restructuring of the country's system of higher education. These institutions were formed by merging and upgrading specialised institutions with a vocational higher education focus. These polytechnics were devoted to the promotion of development activities and applied research with practical emphasis, as well as close contact with business, services and industry (Seinajoki Polytechnic, Undated).

The polytechnical form of education is highly regarded in Finland, and current enrolments at polytechnics constitute about 60% of all higher education intake. The country presently has about 31 polytechnics whose mission is specifically to support regional innovation systems and development. The institutions pursue practice and project work in close collaboration with industry and business. Entry requirements are generally lower than the requirements for university enrolment. Entrance examinations are a prerequisite for students wishing to enrol for degree programmes, while only a number of programmes offer postgraduate studies (Department of Education, 2004:12).

3.8.4 German Technical Universities and *Gesamthochschulen*

One of the oldest university systems in Europe can be found in Germany. Originally, the technical universities (similar to polytechnics) confined their programmes to technical and engineering components. Their programmes have in the course of time widened to include courses in the arts and humanities, even though science and engineering remains their primary focus. Qualifications up to the doctoral level are on offer as is the case at universities in Germany (DAAD, Undated).

Gesamthochschulen (GHS) emerged as a result of efforts in the late 1960s and early 1970s to reform the system of higher education in Germany, which was too restrictive and elitist. The initial objective was to amalgamate sections of the previously separated system of higher education, but especially to link the universities with universities of applied sciences. This attempt created the challenge of how to join institutions with different structures which also engaged in different kinds of educational programmes, different course content and duration. The change process received wide support at the Federal Government level, and the whole system of higher education was reorganised into GHS-type institutions as well as subsequent redesign of curricula (DoE, 2004: 9).

The federal law of 1976 and subsequent laws that provided for the establishment of such institutions proposed two institutional models, namely the cooperative and the integrated models. In the cooperative model, autonomous units would link in loose association. In the integrated model, the institution would offer academic programmes of longer duration and short vocational programmes and staff and student associations would be merged. The following objectives were also outlined in the same provisions:

- the establishment of an educational system consisting of varying but coordinated programmes and qualifications with the option of credit transferability;
- giving more students access to higher education in both the academic and technical programmes;
- linking science programmes with practical experience;
- providing proper guidance and counselling to students;
- establishing institutions in areas that lack such institutions; and
- optimally utilising resources (Department of Education, 2004: 9-10).

The objectives of the reform process, however, were not entirely achieved at the stage of implementation. As a result, the whole system of higher education was

not reorganised, and only six *Gesamthochschulen* were established in the end. The reasons for the low level of acceptance of the new institutional model include the following:

- a) The Federal Government lacked the authority to force the states to establish such institutions, while only a few states have the requisite laws in place to establish such (comprehensive) universities.
- b) The older and well established universities showed resistance out of fear that merging with universities of applied sciences would lead to loss of prestige, especially since all of the *Gesamthochschulen* (except a few small institutes which operated at university level) were established from institutions outside the university sector (Department of Education, 2004: 10).

3.8.5 Lessons Learnt

There are a number of lessons to be learnt from these case studies that enhance the understanding of the main theme of this thesis. Studies have shown that many countries around the world have embarked on the process of creating universities out of other tertiary institutions, and in some cases, from vocational schools, as in Germany, Britain and Finland. The aims of such an exercise include efforts to address skills shortages; to redress past imbalances; to give neglected and rural communities the opportunities of higher education; to raise the status of all tertiary institutions; and to give them the autonomy that universities enjoy. In countries such as Britain, polytechnics are now known as universities; in countries like Finland, polytechnics are highly regarded and seen as strong drivers of economic growth. Here, polytechnics remain known as polytechnics, and many institutions were merged or upgraded to the status of polytechnics. The German system of higher education was very elitist and restrictive. Its reform therefore aimed at amalgamating the previously separated

systems, especially to link universities with universities of technology or applied sciences. One of the challenges faced was exactly how to link institutions with different structures and programmes. The whole system of higher education in Germany was, therefore, not entirely reorganised because the reform agenda met low acceptance from various stakeholders.

It is apparent from the above that various countries attach various levels of respect to polytechnics and technical schools, hence the renaming of them as universities or keeping them as polytechnics and making them stronger to achieve the goals and objectives of their countries' economies.

It is worth noting that although there are cases of restructuring of the higher education system around the world, nowhere else has restructuring happened to the degree that has taken place within the South African higher education system. Also, there is a contrast between the kinds of institutions that are merged or incorporated in most international settings and those in the South African setting. In the international cases, the merging or combination of various types of educational institutions occurred across the higher and further education divide, while in the South African context, the merger processes of universities of technology occur within the higher education sector. The South African example is seen as less complicated because, in many international settings, a number of difficulties have arisen in the merging processes. These relate to clear hierarchical differences in the qualifications of the staff that the process brings together as well as in the levels of educational provision. The most difficult example comes from the merger of developed and underdeveloped universities, and the merger of universities and technikons. In these cases, difficulties emerge in the process of integrating academic staff, programmes and curricula, especially as so much differentiation arises in the qualifications, levels, status and standards of such staff members. The possibility of similar problems in the South African context is not ruled out, but it is unlikely that such differences will be as severe as international experiences show, especially since the South

African process has drawn so much from these international cases (Department of Education, 2004: 10 & 13).

3.9 THE ROLE OF THE STATE IN PROVIDING EDUCATION

National education systems developed simultaneously with the creation of the modern state, as education became the state's means of training workers, and educating the masses, in order to develop and maintain a common culture and a shared national identity among citizens. The importance of state involvement in education is shown by the fact that there is a minister of education in most countries, (though the title of this functionary may not necessarily be the same), who is the political head of educational matters. The state plays a vital role at all levels of education, including administration, curricula and support. Each country has extensive educational bureaucracies known as departments of education, and a substantial share of the country's annual budgets is allocated to educational concerns. For instance, in developing countries such as South Africa, this expenditure, according to Lemmer (1999: 28), "...readily amounts to more than 20% of the national budget, frequently becoming the largest single item of that budget".

Most national governments consider it their responsibility to provide education for the population. However, the extent of the government's involvement differs from country to country. A country with a centralised system of government will as a matter of necessity have a national educational policy. The (educational) laws passed by such a country's parliament or national assembly will affect the whole structure of the system of education. However, it is difficult to talk about a national educational policy in a country with a partly federal system of governance such as Germany, Switzerland and the US. In the US, for instance, a more or less definite policy exists in each of its states. A vague national educational policy in the US only results from a combination of certain federal

decisions and legislation and the sum total of all the states' policies (Conant, 1995: 1).

The mode of providing education in most countries around the world has become very similar because of educational internationalisation, which has resulted in global standardisation of education. As the world becomes "smaller" due to globalisation, the trend has become policy borrowing among independent states. For instance, in a bid to improve the system of education in France, Marc-Antoine Julien, who is referred to as the father of comparative education, conducted an indepth study of systems of education across Europe. International exchange of educational ideas has increasingly taken place in the last two decades. In South Africa, for instance, the recently introduced outcome-based curriculum, is similar to developments in the US, New Zealand, Canada and Australia. Similarly, Japan's curriculum has been internationalised, educational exchanges increased, foreign languages promoted, and education in developing countries supported. Although these similarities exist, all systems of education still have distinct national features that, according to Lemmer (1999: 39-40), "...cut across the entire education endeavour, such as knowledge traditions, curricular, types of schools and outcomes".

3.9.1 Ensuring Quality Assurance in Universities

National governments in the developing world, and elsewhere, need to improve the quality of higher education and access to higher education as key national priorities. Consequently, such governments are exploring means of improving higher education (Chapman *et al.*, 2002: 3).

Quality assurance in the context of higher education can be seen as value for money or, rather, added knowledge supported by the performative ideas of relevance, efficiency and effectiveness (Lemmer, 1999: 184). Although quality

assurance can be defined in various ways, with differences in emphasis, it has a number of identifiable basic but vital ideas and issues. These include that planned and systematic actions should guide the expression of quality; that quality assurance processes can involve a number of differing concerns such as determining the needs of customers, planning, evaluating, encouraging and effecting improvement; and that quality must be considered in terms of goals, values and, according to Boyle and Bowden (1997: 4-5), the "...intended outcomes (sometimes a 'product' having specified characteristics) of a group or enterprise, and (commonly) how these serve the needs of customers, clients or stakeholders".

Since the medieval period, universities have developed mechanisms for ensuring quality in their research and teaching. However, the idea of quality in higher education has changed since the 1980s from the search for objective or impartial truth, institutional self-justification and peer judgement to international models of quality assurance which utilise external audits and appraisals in terms of the vision, mission and strategic planning of an institution. In line with overseas models of quality assurance, institutions of higher education in South Africa have been introduced to an idea of quality defined and executed by external audits and self-assessment. Similar systems are already widespread in Europe, America and East Asia, resulting in a variety of literature and, according to Lemmer (1999: 185), "...a lucrative quality industry manned by civil servants and consultants who conduct and advise on university audits also making staggering demands on the time and energy of academics".

National governments perform the role of overseer for higher educational institutions in ensuring that these institutions have quality assurance measures in place and that these measures are adequate to ensure a qualitative system of higher education. Such measures are channelled towards improving education, raising standards, correcting deficiencies, enhancing relevance, ensuring quality control and maintaining institutional accreditation, among other oversight

mechanisms. Quality in higher education has gained importance as a result of the multiple pressures that threaten such education. Such pressures include reduction in quality stemming from rapid student enrolment, the financial autonomy that higher institutions receive, increases in the number of private higher institutions, the emergence of increasing numbers of online courses and a the rise in the number of profit-oriented private institutions (Chapman *et al.*, 2002: 5 & 17).

It is generally agreed that the aim of quality assurance is not only to assure the quality of teaching and learning or the quality and efficiency of research at an institution, but also to increase, optimise and enhance teaching and research programmes. In Europe, optimisation is seen not as arising from a top-down approach, but through competition. Erichsen (2002: 2), therefore, suggests that the amount of public funds received by higher educational institutions for research, teaching and salaries should be based on performance, as this will promote competition between higher institutions and between professors at such institutions. This will be addressed in chapter 6, which deals with policy options, especially since one of the reasons for government intervention in higher education is to ensure that these institutions produce graduates of high quality who are able to adequately perform their duties and, in so doing, meet the objectives of the country and the international economy.

3.10 IMPACT OF GLOBALISATION ON A COUNTRY'S ABILITY TO PROVIDE EDUCATION

In the last four decades, the identity and sovereignty of many countries have become questionable as a result of the globalised economy. In some cases, countries are finding it difficult to assert their authority and make independent decisions against the increasing influence of multinational corporations and the mobilisation of global financial markets. Moreover, most sovereign governments

in a bid to derive a competitive advantage are developing policy initiatives for improving the quality of their human resources. As a result, therefore, the yardstick for international competitiveness as well as individual employability has become a working knowledge of information technologies. This has encouraged countries to invest in information and communication technology programmes as a means of realising their developmental processes (Selwyn & Brown, 2000: 661).

In line with the global movement towards the use of information and communication technologies (ICTs) for educational purposes, higher institutions in Africa have begun teaching students with web-based methods. Because of the importance of web-based training, a number of countries have policies or legislation in place to guide its implementation. The South African *White Paper on Science and Technology*, 1996, for instance, notes that the information society which the country envisions has to be able to reach every level of society. The development of web-based (virtual) learning is driven by the idea that the quality of a learning experience can be enhanced using ICTs, which enhance collaborative and interactive learning (Farrel, 1999: 5). The advantages of virtual education also include interaction with other higher institutions around the world in online classes; virtual linkages where people and organisations can share resources online (Darkwa & Mazibuko, 2000); greater access to research and reference services; lower cost to deliver courses and training materials, so that courses with limited enrolments and lack of qualified lecturers can be offered (Nel, undated: 6).

Developed countries, especially, have come to recognise that an important means of improving standards of education is through information technology, especially in terms of expanding life-long learning opportunities. Many countries have therefore embarked on changing the training and work of educators to include competence with information technology. In the US, for instance, the Technology Literacy Challenge has made training in technology a criterion for

acquiring a teacher's licence in more than half of the individual states. In the United Kingdom, all recently qualified teachers must have IT as part of their curriculum, while Singapore also sees IT as an important aspect of a teacher's function (Selwyn & Brown, 2000: 671).

The introduction of distance and online education has provided students with new opportunities to pursue higher education, by limiting the constraints that such students often encounter in their quest for education. Students around the world can now participate in debate and discussion, and higher institutions can offer courses to a larger number of students across the globe at a cheaper rate, using part-time staff members without heavy investment in infrastructure. The corporate sector particularly finds this method of learning very attractive, as staff members do not have to study full-time and as a result cause their companies lost hours in productivity. It is also beneficial to adult learners who may not be able to study full-time (Kraak, 2001: 3). Web-based training is also important in courses such as Public Administration, in which a flexible learning environment is very important as many students are practitioners and learners at the same time (Nel, undated: 1), which means it might be difficult or impossible for them to attend lectures physically due to work pressures or commitments.

The University of Pretoria, for example, uses synchronous software in bringing students together from around the world for online teaching and training, using a wide range of operating systems and bandwidths and irrespective of geographical location. A real classroom can be stimulated and complemented by live internet, an office, computer laboratories in or off campus, where it is possible for students to interact with other students and lecturers. By using the synchronous software, which also has the convenience of virtual libraries, the Department of Telematic Learning and Education Innovation (TLEI) at the University of Pretoria, believes that it can provide students the opportunity to take part in their academic programmes wherever they are and at any time, and at the

same time save them the inconvenience associated with residence requirements, transport and other costs (University of Pretoria, 2004: 21).

Although South Africa is ahead of the rest of African countries in terms of electronic (virtual) learning developments, it faces the challenges of infrastructural development, electricity supply in the rural areas, access to computers and connections to telephonic lines. These shortcomings are not peculiar to South Africa alone, since other African countries have similar problems, only to a greater degree. Web-based training in Africa and in other developing countries is currently underutilised. It is necessary to develop this teaching method further as this will enable more students to acquire education, especially those students who, as a result of time, distance and financial constraints, are not able to travel to their institutions or take a course for the number of years required to obtain a university degree (Van Jaarsveldt, 2003: 3).

Online instruction in some respects challenges the essence of a higher education system even though the growth of the online system provides new opportunities for extending higher education in developing countries. Some of the challenges presently facing higher institutions include how to equip their academic staff to function adequately in this environment, how to ensure that financially or resource-constrained universities are able to provide the technology needed for the activities, as well as how governments will ensure that the instruction that comes from other countries is of high quality (Chapman *et al.*, 2002: 9-10).

It is becoming increasingly evident that one impact of internationalisation or globalisation is that a state may no longer be able to provide the majority of its population with education since the international economic market has more power and influence on the kind of human resources needed in the labour market. On the other hand, although the national system of education is deeply influenced by international systems, and education has been directly influenced by the demands of the international market, the state will continue to play an

active role to the extent that the system of national education remains in place. Despite the immense influence of international organisations, there is a limit to the hold they have over the educational affairs of independent states, because, according to Green (1997: 181), "...governments across the world still exercise considerable control over their national education systems and still seek to use them to achieve national goals".

3.11 GOVERNMENTS AND CORPORATIONS

Governments around the world, especially in developing countries are finding it difficult to rule effectively or to make more or less autonomous economic policy decisions, since the advent of globalisation. This is a result of the economic links between countries, which place many issues in an international context. A government's response to free trade and its search for joint solutions to problems of international standards raise questions about its ability to manage its borders. Its participation in international bodies or adoption of international agreements restricts its ability to fully exercise its wishes or mandates, as this may require a modification of domestic policies and practices that are highly valued. The economic links between countries have changed the world from a system of distinct national economies to one of a global economy in which production is no longer confined to a country's borders, and in which there is free flow of financial capital between countries. The current situation is that multinational corporations assume great economic power, and anonymous investors can influence the availability and price of international capital, currency and interest rates. Moreover, the international framework of the World Bank, International Monetary Fund and World Trade Organisation, among other bodies, is increasingly defining the framework of rules within which economic activity takes place. These three bodies are the most important international economic organisations and they hold vast monetary power; they sponsor multinational companies and they are the apparatus that multinational companies use to maintain a strong hold on local

economies to the point, in many cases, of controlling these economies. These international economic institutions further exist to correct market failures and governments' mistakes (Mohr & Fourie, 2000: 77; Coote, 1992; Hogg, Undated: 1). This situation leaves many countries at the mercy of the multinationals.

Multinational companies have such immense influence because of the General Agreement on Tariffs and Trade (GATT), which has now been replaced by the World Trade Organisation (WTO). GATT was the main forum in which the rules and standards of international trade were negotiated and debated. This agreement, according to Krauss (1978: 18), constituted the "...rules and guidelines for conducting international commercial relations among the developed countries after World War II". The agreement committed member countries to enter into arrangements which were reciprocal and mutually beneficial, geared towards considerable reduction of tariffs and other factors that hinder trade, and the elimination of any treatment of member countries which amounted to discrimination (Trebilcock & Howse, 1995: 25).

The GATT aimed to encourage free trade and break down trade barriers in such a manner that all border restrictions would be in the form of negotiable tariffs. Conventional economics strongly believe that free trade will lead to an improved world economy, and produce higher incomes for national economies (Cootie, 1992: 105). The WTO, formed in 1959 to replace GATT, is the legal and institutional basis of the international trading system. It is the forum for multilateral trade agreements, executes trade agreements, promotes fair competition, oversees national trade policies and resolves trade disputes (Mohr & Fourie, 2000: 78).

The importance of corporations in the life of any country cannot be overlooked. There are some areas that governments may not be able to control such as information technology, which has effectively made impossible any attempt to shy away from the outside world and its influences. New opportunities have been

created by global and regional interdependence. As a result of cooperative agreements, favourable economic conditions which may not be reachable on the domestic front alone can now be achieved by the state (Encyclopaedia of Democracy, 1995: 535).

The International Monetary Fund (IMF) was established to enhance international economic cooperation, curtail international financial instability and expand international trade, and to supervise member countries' exchange rate practices. The body presently loans money to member countries to, in many cases, finance projects handled by corporations. The body, according to Mohr & Fourie (2000: 77), also "...regulates international finance, and often prescribes the economic policies that borrowing countries have to follow".

The World Bank, which was originally known as the International Bank for Reconstruction and Development (IBRD), was formed to help in the reconstruction of countries devastated by the Second World War. However, its attention later turned to encouraging economic development in developing countries. It plays a very active role in economic development projects, while the IMF confines itself more to finance and economic policy. The World Bank plays a considerable part in analysing economic development in most if not all countries (Mohr *et al.*, 2000: 78). In order to qualify for IMF and World Bank financial assistance, such countries have no choice but to play by the rules that these bodies consider prerequisites for a successful market economy. These rules include letting their currencies be evaluated, abrogating constraints to free trade, lifting price controls as well as privatising or restructuring national assets (Celarier, 1997: 531).

South Africa employs a mixed economic system in which private initiative, market mechanism and self-interest play vital roles; there is also a considerable level of government intervention in the economy. The South African government that came into being after the collapse of the apartheid era is responsible for the

framework within which the economy operates, while also engaging with the business community to structure the outcome of their businesses for the nation. It is also the role of the South African government to provide regulations and other measures for ensuring efficiency and certain minimum standards, as well as providing measures aimed at ensuring macroeconomic stability (Mohr *et al.*, 2000: 434). The multinational corporations, on the other hand, have power as a result of their immense contribution to the local economy. The freedom which they enjoy is leading to insecurity especially within the workplace, and they are becoming more powerful and influential than many democratically elected governments in weak or poor countries. These corporations put the interests of shareholders above the interests of communities and even customers.

The impact of supranational organisations such as Microsoft, World Bank and UNESCO on education implies that national educational systems are finding it difficult to determine the kinds of graduates that will find work, since human resource needs are largely defined by multinational corporations, which also make direct contributions to national decisions around education. For instance, when Mexico was accepted into the North American Free Trade Agreement (NAFTA), its government had to ensure that the 'productive sector' played a direct function in educational planning. The globalisation of education therefore creates the danger that the economic free enterprise metaphor is uncritically applied to education. Ultimately, democracy loses its power. Education is no longer managed by governments (the voice of the people) but by economic motives such as efficiency (Lemmer, 1999: 40, 42-43).

3.12 IMPACT OF WEAKENED SUPPORT FOR HIGHER EDUCATION

The development of higher education during the 1960s and 1970s was seen as a priority by the national governments of many developing countries. Substantial investment in higher education was made by international assistance bodies

(such as regional development banks, the World Bank and bilateral assistance agencies) and national governments from the developed world, in support of the priorities of these developing countries. Support for higher education from developing countries themselves, however, weakened during these periods because the education system did not yield anticipated dividends to national development. The investment was lost in the financial crises that a number of these countries faced, in loss of expertise through emigration, in politicisation of higher education and in neglect by government in general. Higher educational institutions in developing countries were not able to adequately resolve challenges such as illiteracy, provision of food security and prevention of disease. Educators and economists also reached the conclusion that the dividend of state investment in university and college education appeared to produce less long-term advantage to society and more to students. International assistance bodies, therefore, became reluctant to fund university and college projects (Chapman, 2002: 5-6). Universities worldwide are also confronted with pressure to change as they contend with challenges such as raising more funds, cutting costs, developing latest technologies, creating new knowledge and preparing students for new career opportunities which are presented by the market-driven forces of globalisation (National Academies, 1998).

Weakened support for higher education from governments, especially in terms of funding, does not enhance development of a system able to compete in a globalised economy. As frustrated graduates and academics continue to seek better prospects in other countries, essential areas such as health, engineering, technology, agriculture and education can collapse, as the cases of Zimbabwe and Nigeria show. In view of the diminishing public and foreign funding, higher educational institutions need to strengthen specific programmes that promote development and engage in interuniversity collaboration (Sodnomtseren, 2006: 17).

Substantial damage has resulted from years of neglect. Many governments and heads of higher educational institutions do not possess adequate systems and strategies for improving their institutions' operations and impact, although a few cases of successful initiatives can be found here and there. Another problem is the clash of divergent interests, such as rising demands from the public for both a better trained workforce and easier access to higher education. These challenges prevail in conditions of political uncertainty and financial constraint. The shape of the system of higher education will be defined by the way these challenges are resolved. In order to achieve meaningful outcomes to these problems, higher institutions and their governments must respond in a manner that is strategically effective, economically sensible, operationally manageable and culturally adequate (Chapman *et al.*, 2002: 5-7).

The higher institutions of learning examined in this chapter show that although higher educational institutions globally are faced with numerous challenges such as decreased funding, excessive government intervention, and the impact of globalisation on national policies and systems of education, yet the development and strengthening of higher education has excited renewed interest recently. There is a renewed effort by national governments and the higher education community to ensure that higher education meets the goals and objectives of their respective countries and the global economy.

3.13 IMPROVING HIGHER EDUCATION

Countries internationally are taking steps to improve their systems of higher education. The Nigerian government, for instance, has shown interest in and commitment to reviving its system of higher education by increasing its financial commitment, offering better salary packages for academic members and spending more per student. International organisations, such as MacArthur Foundation (a private, independent grant making institution), are also channelling

resources to higher institutions in Nigeria for specific projects. For instance, MacArthur's strategy is to strengthen such important areas as information technology, faculty and development, administrative operations and the provision of scientific equipment (Saint *et al.*, 2004). In South Africa, the government has ordered the national Department of Education to review the higher education funding framework with a view to establishing the extent of the financial challenges confronting higher institutions (Interview, Director of Higher Education Planning, Department of Education, 17 November 2005).

International efforts to improve the level of higher education in the developing world have concentrated at the institutional level. The adoption of economic principles has been suggested, by politicians and other relevant stakeholders representing the economy, as a means of improving the effectiveness and efficiency of higher institutions (Erichsen, 2002: 2). The widely held idea that the route to meaningful reform in higher education lies in improving the management ability of such institutions has led to a series of partnerships between higher institutions across the globe, staff-and student-exchange programmes, university linkage projects, training programmes for administrative staff, and internships aimed at improving the instructional and management responsibilities of participating institutions. These initiatives aim to assist higher institutions to develop more effective budgeting systems, course credit policies, enrolment management systems, systematic curriculum design methods and systems for tracking facilities and students. Although successes have been recorded from these efforts, higher institutions still face the challenge of defining and shaping their relationships with their governments and with other stakeholders such as the larger citizenry (Chapman, 2002: 4).

Attempts to make higher institutions more efficient and effective do not always produce the desired results. The claim that a quarterly financial statement is an adequate means of evaluating the performance of universities is also very contentious. Erichsen (2002: 2) therefore suggests that productive, beneficial and

synergistic interaction and communication between the economy and society is only possible if universities stand by and maintain their culture of curiosity and cognitive interest.

3.13.1 Concluding Paragraph

This section has considered the international context within which the system of higher education in South Africa operates and explored a number of cases in which governments world-wide have intervened in their countries' systems of higher education. The following section will consider the South African higher education context and policy developments. It will examine the challenges of higher education in South Africa and the government's intervention through policy processes. The policy processes intend to transform the higher education landscape in order to redress the imbalances of the past, set the higher education sector on a path of growth and development and prepare it for the developmental challenges of the country and, in the process, build a better quality of life for all.

3.14 SOUTH AFRICAN HIGHER EDUCATION CONTEXT AND POLICY PROCESSES

3.14.1 INTRODUCTION

The previous section addressed the second research question. In the following section, the third and fourth research questions are addressed, namely: what are the South African higher education context and policy processes, the reasons for government intervention in higher education and how these reasons relate to the process of transforming higher education? This section traces the history of higher education and subsequent policy developments in higher education in the country.

The system of higher education in South Africa before 1994 was fragmented, and lacked common goals, systemic planning and coordination. The passing of the apartheid era, however, has not led to the end of the problems inherent in the higher education system. For instance, there is evidence of resistance to change; ideological differences persist and the level of social interaction among students of different races is minimal. The system of higher education is further confronted with the challenge of redressing past inequalities, meeting pressing national needs and responding to new realities and opportunities. These problems, among others, led to the government's intervention in higher education in efforts to restore order, reorganise the system of higher education and ensure that higher institutions comply with the new regime of academic regulations. Higher institutions are also expected to account for their performance in terms of equity, efficiency and effectiveness.

3.14.2 HISTORY OF HIGHER EDUCATION IN SOUTH AFRICA

The history of higher education in South Africa, prior to 1994, reveals a stratified system of education, divided along racial lines, in which students and pupils were classified on the basis of race or ethnicity. This ensured the exclusion of black people from quality education, and built a system characterised by discrimination and inequality in educational standards. Opportunities for higher education were restricted for blacks until 1994. Although they were not restricted by legislation from attending any university of their choice prior to 1994, they could only gain admission to white universities in cases where black universities reached full capacity in terms of student intake or did not offer equivalent programmes, and only with the special permission of a cabinet minister. Universities and colleges were established for black, coloured and Indian students in order to be able to meet the needs of separate development (Library of Congress, 1996). For instance, the Universities of Durban Westville and the Western Cape were established for Indians and coloureds; the Universities of Zululand and the North

were established for Zulu, Sotho-Venda, and Tsonga-speaking Africans; and the University of Fort Hare was created for Xhosas (Reuter & Bobert, 2002: 147).

Overall, higher education during the apartheid era served a privileged elite, and membership was reserved for those perceived as the correct race, gender, social connection and language (Winberg, 2004: 91). The term “apartheid” is derived from the Afrikaans language and literally means “apartness” or to be apart or “separate”. It was introduced in the 1930s and became the National Party’s political slogan in the early 1940s, while the social custom of the apartheid system was formulated into law as soon as the Afrikaner Nationalists assumed power in 1948. The practice of separateness, however, can be traced back to 1652 when white settlement started in South Africa. These divisions were entrenched further by the *Bantu Authority’s Act*, 1951, and the *Promotion of the Bantu Self-government Act*, 1959 with the establishment of the ‘Homelands’, administered by tribal organisations. Black South Africans became citizens of the Homelands through the *Bantu Homelands Citizenship Act*, 1970, and they were automatically excluded from participating in South African politics. Most of the homelands were not economically viable as they lacked natural resources, and did not possess the autonomy of independent states as they were both fragmented and small (Appiah & Gates, 1999).

The struggles and debates in higher education prior to 1994 were largely dominated by the quest for adequate access for blacks to higher education institutions. In 1988, for instance, blacks constituted 11.37% of technikon enrolments and 32% of university admissions while the rest was made up by white intake. In 1993, the following were the total enrolments in higher education per 1000 of the population: African 12,1, Indian 40,4, white 69,7, and coloured 13 (Reuter & Dobert, 2002: 149). The problems of access for the former historically disadvantaged individuals (HDIs) is not confined solely to the total number of staff and students working or enrolled for studies at higher institutions. Rather, it is also reflected in the kinds of programme enrolled for. In 1991, for instance,

fewer than 35% of the students enrolled for professional degrees in fields such as business, computer science, agriculture and engineering were black, and more than 70% of the students registered for natural science degrees were white (Reuter *et al.*, 2002: 151).

The historically advantaged universities dominated research, producing most of the country's research output, especially as reflected by completion of Masters and Doctoral degrees and the production of research articles. By 1994, the demographics of South African society were not reflected in the management and staff components of universities. For instance, the members of university councils tended to be all white, all appointed by the then State President. The State President also appointed a separate Advisory Council for higher educational institutions in the homelands. All its members were blacks and included, according to Ruperti (1976: 68) "...academics for the most part, but also chiefs, church leaders and others".

The division of higher educational institutions during the apartheid era led to a fragmented system of higher education in which systemic planning, common goals and coordination were lacking. There was no clear strategy determining the shape and size of the higher education system. In addition to these setbacks, the relationship between the government and previously disadvantaged higher institutions was also polarised by the authoritarian nature of the government before 1994. This led to differences between civil society and the state. The government employed its legislative, executive and administrative powers in the determination of management composition, funding, appointment of all senior members of staff, administrative and academic structures, student affairs and access (Reuter & Dobert, 2002: 156).

The effects of this slanted system of education include the simultaneous production of well educated graduates and substandard graduates. This trend translated to inequality in access to the job market, with the better educated

graduates having better access to better jobs. Those who received what was termed Bantu Education, a system of education for the African population, were disadvantaged. Bantu Education was characterised by separate schools, overcrowding, and inadequately trained teachers. It can be described, according to Davenport (1991) "...as a system that prepared for a subordinated position in the workplace via a focus on practical subjects and an inferior curriculum".

3.14.2.1 Opposition to Apartheid System of Education

Although the implementation and enforcement of apartheid policies were accompanied by governmental suppression of opposition, resistance continued by black political groups and sympathetic whites. They demanded drastic reform of apartheid policies, including educational policies, by means of various tactics such as demonstrations, strikes, violence and sabotage (Appiah & Gates, 1999). Students and student organisations at various levels in educational institutions played strategic roles in the anti-apartheid struggle from the 1960s on. They had affiliations with internal and external political movements and were well organised. Many students who were active in the struggle currently hold political offices in the post-apartheid government. Their student activism made social and political difficulties a central concern of marginalised and sympathetic groups, and was such that they could easily mobilise mass resistance. The close relationship between students, academics and staff unions became a weapon in the fight against the apartheid government administrators who were not sympathetic to the struggle for justice and fairness. The anti-apartheid struggle by the students brought them immense respect from the liberation movements and the community at large (Jansen, 2003: 12). The system of higher education, according to Pityana (2005), also germinated the seeds of its own destruction as it gave rise to intellectual radicals who sought after a better understanding of knowledge.

The Peoples' Education Movement of the 1980s was largely led by the National Education Crisis Committee (NECC), later known as the National Education Coordinating Committee. This was mainly a political movement that saw the classroom as a point of struggle against the apartheid government and its policies. The political concerns of People's Education, however, arose within an oppositional discourse around the concept of equity. It called for the elimination, by means of social and institutional transformation, of the inequalities imposed by apartheid education system, and so the raising of the level of higher education in previously disadvantaged institutions to the same level as the previously advantaged ones. Stakeholders from the previously disadvantaged institutions, especially the black institutions, namely staff, students and graduates of these institutions, were drawn to the political agitations of the movement. The People's Education Movement espoused a number of central propositions, including: the need to reflect the world of work in the content of formal education; employment of participatory methods of teaching; community involvement; promoting critical thinking; learner centredness; and interdisciplinary curriculum content. By the late 1980s, many of the ideas of the People's Education Movement were not fully developed because the notion of People's Education was imprecise and variously interpreted. These ideas were not developed further during the period of negotiations as less emphasis was placed by the Movement on equal rights for all. Rather, what emerged was a multi-stakeholder policy-making process, led by experts who placed priority attention on other discourses, especially the high skills discourse. This discourse demands a highly skilled labour force capable of using new technologies, adding value to existing products and services and acquiring diverse, specialised skills and well rounded competencies (Kraak, 2001: 9, 13, 14,). During the 1980s, a number of universities, such as, the University of the Witwatersrand, commenced the process of admitting students from various races, in realisation of the consequences of the long-term slanted system of education (Library of Congress, 1996: 1).

The politics of segregation that was the norm in South Africa between 1948 and 1990 led to social, political and economic isolation of the country from the international community. In 1961, member states opposed to the apartheid system forced South Africa to withdraw from the British Commonwealth. In 1985, the racial policy of the apartheid government led to the imposition of selective sanctions on South Africa by the governments of Great Britain and the United States of America (Appiah & Gates, 1999). The South African economy was severely affected by these sanctions, which raised the cost of necessities, cut investment and even forced many American corporations to withdraw investments. With the apartheid system and government bombarded by internal and external pressures for change, the dismantling of the apartheid system became a necessity. It was begun in the 1990s, led by President F.W. de Klerk, then head of the South African government (Columbia Electronic Encyclopedia, 2005).

3.14.2.2 Demerits and Merits of Apartheid Era Education

The past system of apartheid was very effective in geographically separating different races and as a consequence creating imbalances in opportunities. Apartheid's central policy of 'divide and rule' was aimed at ensuring white survival and hegemony by dividing the non-white population along racial and ethnic lines (Kashula & Anthonissen, 1995: 7). In this way, the majority was effectively separated into a number of minority groups, which as a result of the division could no longer constitute a threat to the ruling minority (Henrard, 2002: 2). Although Africans were able to pursue their interests in the former homelands, these homelands contributed to the impoverishment of many Africans as they were subjected to inadequate schooling systems, dysfunctional government and few prospects for employment. Even though the apartheid era could not prevent the emergence of a small black middle class, the majority of the African

population came out of the apartheid era without adequate qualifications, with few job prospects and low income (Fiske & Ladd, 2005).

Although the system of higher education in South Africa was considered the best in Africa even during the apartheid era, the politics of segregation led to its isolation from the international community. By the late 1980s, South Africa stood out from other parts of the world in its higher education developments in three critical ways, namely:

- a) the system of higher education in South Africa was premised on racial discrimination and as a result had stratified social effects;
- b) the technikon and college spheres of higher education remained unequal to the university sector in contrast to the situation internationally, (in Britain, for instance, the polytechnics compete equally with universities); and
- c) the Council for Higher Education's Stratification Proposal of 2000 did not promote the demands of globalisation for new skills and knowledge, especially in the field of information and communications technology (Kraak, 2001: 20).

The magnitude of the problems associated with the apartheid system of education, however, does not obliterate the positive aspects of that system prior to 1994. According to the *Education White Paper 3* (South Africa, 1997: 1.5), some of the apartheid higher institutions developed teaching and research capacities which were internationally competitive. Their infrastructure and academic expertise were valuable national assets. The *White Paper* warns that failure to identify, retain and use the valuable features and achievements of the apartheid-era higher education system in the restructuring process would have a negative impact on the future provision of quality higher education and on national interests. In fact, the South African system of education and training is by far the best-resourced and developed in Africa. The country's sophisticated

financial and economic structures, and professional services, such as medical, industrial, cultural, legal, communications technology and business, have been created and sustained by the high quality of the country's qualifications, research and postgraduate output (Reuter & Dobert, 2002: 146-147).

The educational institutions that provided for white students and pupils were and are still considered as the custodians of high educational standards in South Africa. During the apartheid era, a number of higher institutions were able to maintain high standards of professional training as well as teaching and research capacities that were internationally competitive. Although most of these capacities could be found only in the historically advantaged institutions (HAIs), some of the historically disadvantaged institutions (HDIs), according to Reuter & Dobert (2002: 147), "...also developed expertise in certain academic areas and research fields".

3.14.3 CHALLENGES FACING HIGHER EDUCATION IN POST-APARTHEID SOUTH AFRICA

The end of the apartheid era has not translated into an end to the problems associated with the system of higher education in the country. Some of the problems in the past system of education persist. For instance, many staff and students are still in groups with ideological differences between them, and there is evidence of resistance to change (Moraka, 2001: 31). New problems have also emerged. As a result, the following challenges are referred to in the *Education White Paper 3: A Programme for the Transformation of Higher Education* (South Africa (1997: 1.1):

- redress past inequalities;
- transform the higher education system to serve a new social order;
- meet pressing national needs; and

- respond to new realities and opportunities.

Higher education faces the challenge of equity and development imperatives, in other words, of addressing the inequalities created by the apartheid system, and meeting the challenges of globalisation. South Africa's economy has to integrate itself into the international arena of competitive finance and production which has undergone rapid changes as a result of new information and communication technologies. The high value placed by these technologies on skills and knowledge, which has created the idea of a 'knowledge society', have changed the manner in which people do their work. At the same time, the country has to address social and economic relations with a view to rectifying imbalances in wealth and ownership (Kraak, 2001: 14).

3.14.3.1 State of Higher Education in South Africa since the 1990s

The end of the apartheid era has seen South African society undergoing many changes necessary for creating a democratic order. When the apartheid laws were lifted in the 1990s, the government was confronted with the daunting task of reorganising the system of education in the country (Library of Congress, 1996: 1). With the collapse of the apartheid system's educational policies, which created a stratified system of education, the system of higher education in the country is in a position to achieve its full potential. According to the *Education White Paper 3* (South Africa, 1997: 35), however, it might be impossible to achieve this until the system of governance within higher educational institutions "...reflects and strenghtens the values and practices of our new democracy. Furthermore, wholly transformed governance arrangements are needed to chart and steer the development of a single, integrated national system of higher education".

Based on the happenings within higher institutions in the mid 1990s, which led to a series of commissions of inquiry by the state into various institutions of higher

learning, government intervention was almost inevitable. The 1990s were characterised by high scale leniency towards students, student organisations and their leaders, which eventually resulted in considerable instability. The same period witnessed the prevalence of:

- large scale corruption in many of the universities, especially the historically black universities;
- crises of governance in some institutions with the collapse of councils;
- malpractices of university management;
- entertainment of students' organisations and their student leaders by higher institutions with benefits such as car allowances, personal cellphones, impressive offices, and partial or full waivers in fees;
- representation of students, student organisations and their leaders in higher educational institutions committees, and their display of unusual wealth and status;
- loss of huge sums in unpaid students fees;
- institutions using up substantial amounts of their accumulated reserves, both justifiably and unjustifiably to raise the salaries of underpaid administrative personnel, and to accommodate needy students;
- increase in the influence of students and their representative bodies at such institutions as the University of Durban Westville (now part of the University of Kwa-Zulu Natal);
- expectations by a number of historically disadvantaged institutions such as the University of the Western Cape, that the National Government help them out of their financial difficulties on the basis of being historically disadvantaged (Jansen, 2003: 13).

A number of complications have arisen in the process of moving out of the apartheid period, and these have negatively affected the system of higher education. Such problems include a dramatic decrease in the number of student

enrolments as a result of high tuition fees, a decline in the quality of public higher education, reduction in the number of high school graduates with university exemption certificates, the emergence and expansion of private and international higher institutions in the country, and fluctuations in enrolment patterns. This fluctuation is a result of the freedom of access, granted to all races, to any institution of their choice. A wide variety of both public and private institutions are now open to all students of all races. The previously black higher institutions suffered the loss of many students to the previously white institutions (Kraak, 2001: 26).

These problems noted in the higher education sector created very negative results, including the incurring of huge debts by formerly financially robust institutions. The demands by student organisations and students for such concessions as financial waivers became unbearable for these institutions, and they became unable to meet such demands. Employee associations also demanded pay rises for their members even though these institutions could not afford to meet such demands. Problems like these led to an unprecedented turnover of heads of universities, coupled with lots of stress for senior administrators. Many institutions became ungovernable as a result of internal and external violent demonstrations and activities (Jansen, 2003: 13-14).

3.14.4 GOVERNMENT INTERVENTION IN HIGHER EDUCATION

The post-apartheid government realised that the state of the higher education sector had to be seriously addressed as its poor state constituted a threat to the government's legitimacy and authority to govern the country. To restore order in the system of higher education, as well as to ensure that these institutions complied with the new regime of academic regulations, according to Jansen (2003, 5-6, 14), the government exercised a strong and direct intervention in the system of higher education through the following means:

- a) reformatting qualifications in accordance with a national qualifications framework (NQF);
- b) identifying disciplines or subjects to receive more funding through a university subsidy formula, to discourage students from enrolling in disciplines that are not market-related;
- c) submitting proposals for mergers and incorporations of higher institutions, with associated implications for various matters including programmes, employment and admissions;
- d) implementing quality assurance measures which require higher institutions to openly declare their academic progress, which is then linked to continued government's financial support;
- e) making arrangements to encourage students to pay tuition fees;
- f) emphasising the responsibility of the management of higher educational institutions in terms of the collection of tuition fees;
- g) providing funding to academically deserving needy students;
- h) discouraging disruption of the academic environment; and
- i) replacing those Vice-Chancellors who fail to ensure the effective management of their institutions with Administrators.

Institutions were also expected to account for their performance in terms of three performance indicators, namely: equity, efficiency and effectiveness. These had to be reported in institutions' mandatory three-year rolling plans required by the government. Many of these requirements have not been accepted very enthusiastically by many higher education stakeholders, who charge the government with obstructing their right to institutional autonomy. However, the government has responded claiming that the autonomy of higher institutions does not absolve them of being accountable for the public resources that they receive. In support of the government's position, the Education Minister, Naledi Pandor, further posits that the government cannot stand by while institutions of learning collapse and that the principle of institutional autonomy should not be

used by universities as a justification for resisting democratic change (Pandor, 2004: 1).

The Education Minister opposes Jansen's distinction between institutional autonomy and academic freedom. For Jansen, institutional autonomy is the right of higher institutions to determine academic concerns by themselves, and academic freedom is the absence of external interference in the pursuit of academic concerns. According to Pandor, (2004: 1), "...this definition blurs the distinction between the two widely used and often misconstrued concepts". She defends her position by referring to the *Education White Paper 3* (South Africa, 1997: 1.23), which sees academic freedom as implying "the absence of outside interference, censure or obstacles in the pursuit and practice of academic work". She sees scientific inquiry and academic freedom as not under any threat in the new dispensation as they are fundamental rights which the *Constitution of the Republic of South Africa*, 1996, protects. This is the academic freedom by which academics are able to determine course content and research activities without political interference or state or civil society censure, she claims.

Institutional autonomy, according to Pandor (2004: 1), refers to a high degree of self-regulation and administrative freedom in relation to issues such as modes of assessment and teaching, academic regulations and how higher education institutions' funds are managed and utilised. She sees this kind of autonomy as necessary for effective self-government. The Minister concludes her defence of the government's position on higher education by claiming that higher institutions have no moral justification for employing the principle of institutional autonomy in defence of mismanagement or as a pretext to resist democratic change. She posits that the government cannot, in the name of autonomy, watch higher institutions collapse, without ensuring that adequate measures are put in place, within the boundaries of law, to restore proper functioning of such institutions.

3.14.4.1 Transformation of Higher Education in South Africa

The National Commission on Higher Education (NCHE), which was established by Nelson Mandela in 1995, and maintained by the *Education White Paper, 1997* and the consequent *Higher Education Act, 1997 (Act 101 of 1997)*, sets out a number of policy proposals aimed at transforming the system of higher education in South Africa to one of higher quality, better equity and greater responsibility to the needs of society (Lemmer, 1999: 174). Transformation of higher institutions here refers to the attempt to redress the imbalances in the higher education sector, which created an unequal society in terms of standards of education, employment opportunities and crime. According to the *Education White Paper 3 (South Africa, 1997: 35)*, which provides the vision for the transformation of the system of higher education in South Africa, higher education must transform its governance structures, cultures and values. The goals and objectives of the transformation process are to promote access and diversity; to restructure and consolidate the institutional landscape of the system of higher education; and to ensure a high quality system of higher education which is sustainable, equitable and productive, and which contributes to the human resource, knowledge, skills and research needs of the country in an efficient and effective manner (Department of Education, 2003: 2).

The need to transform the higher education sector is seen as urgent not only by the government of the Republic of South Africa, but also by various relevant stakeholders. This appears to be moving very slowly, while the prospect of achieving substantial level of transformation in the next few years appears to be slim.

The inception of democracy in 1994, which also effectively brought an end to the apartheid system of education, requires that the transformed system of education elevate the standard of education to an internationally acceptable level. The *Constitution of the Republic of South Africa, 1996*, provides for the eradication of

illiteracy, the right of all citizens to quality education on an equitable basis and an inclusive education free from discrimination on the grounds of gender, race or disability of all forms. The transformation process also means reform of the school curriculum in terms of knowledge acquisition and the changing political and cultural context of the South African society. The attempt to transform the institutional landscape of higher education in South Africa to reflect the new society was set in motion in 1994. During the earlier stages of educational policy development, in the early 1990s, two policy texts, namely the *National Education Policy Initiative* (NEPI) and the *Concluding Framework Report*, laid emphasis on the need to pursue a high skills future for the country by linking the reform in education to labour-market and macro-economic reforms. The high skills equilibrium would require basic education of good quality, high levels of educational achievement and a strong civil society (Reuter & Dobert, 2002: 83-84,164).

3.14.5 FOUNDATIONS OF THE NEW HIGHER EDUCATION FRAMEWORK

The basis of the new system of higher education is formed by the pursuit of excellence, quality, efficient and effective governance and management systems, responsiveness and equity. Higher institutions in the post-apartheid era have the task of finding solutions to the various challenges facing the developing world and the country by redressing the imbalances of the past, providing equal opportunities to everyone, transforming into non-racial institutions, and producing the kind of skills that a competitive technological world needs (Van Essche & Mason, 2004: 1).

The *Education White Paper 3* (South Africa, 1997: 1.18-1.25) identifies the following higher education principles and values, which should be promoted to ensure the realisation of a democratic society based on freedom, equality and

human dignity: equity and redress, democratisation, development, quality, effectiveness and efficiency, academic freedom, institutional autonomy and public accountability. The *White Paper 3* (South Africa, 1997: 1.3) also identifies the following purposes for higher education that must contribute to the transformation of the institutional landscape in order to build a better quality of life for all:

- the development of individuals' aptitudes and intellectual abilities in order to contribute to the economic, social and cultural life of society;
- to address societal development needs and provide the labour market with the expertise necessary for the development of a modern economy;
- to contribute to the creation of a critical civil society with a commitment to the common good; and
- to contribute to the creation, sharing and application of new knowledge through learning, teaching and research.

The South African government's vision is for a system of higher education that consists of diverse institutions in a position to adequately respond to the needs of the country, region and continent through learning and research. To that effect, the government set the following four main goals for higher education in the post-apartheid era:

- providing access to higher education and producing graduates who meet the human resource needs of the country;
- promoting equity of access and outcomes and rectifying the disadvantages of the past in a manner that reflects the demographic profile of the country in their staff and student profiles;
- ensuring that research is strengthened and contributes to development; and

- promoting institutional diversity in order to meet knowledge and skills requirements (Van Essche & Mason, 2004).

During the 1990s, the National Commission on Higher Education's (NCHE) investigation into higher education was the most influential higher education policy formulation exercise in South Africa. The NCHE proposals are important in three ways. Firstly, they direct higher institutions towards higher socio-economic responsiveness; secondly, they emphasise planning and coordination that steer the whole system by means of incentives, such as financial performance, which are in line with the labour market and macro-economic priorities of the country; and thirdly, in the NCHE's proposals for a single, nationally coordinated system of higher education and training, it recommends a variant of a unified regulatory framework. In line with these three major thrusts, the NCHE proposed the following five key foundations for the new higher education framework, which were largely accepted by government in the *Higher Education Act, 1997 (Act 101 of 1997)* and the *National Plan for Higher Education, 2001*:

- a single nationally coordinated system of higher education;
- increased access and raised participation rates;
- increased responsiveness to societal and economic needs;
- programme differentiation and the development of institutional niche areas; and
- a planning and coordination imperative for higher education by the state in cooperation with relevant stakeholders (Reuter & Dobert, 2002: 164).

3.14.5.1 A Single Nationally Coordinated System of Higher Education

The establishment of a single nationally coordinated system which is capable of fulfilling the educational, economic, social reconstruction and development needs

of all of South Africa's citizens is central to the transformation process. The National Council for Higher Education noticed a lack of system in South African higher education, and so recommended that higher education in the country should be governed, conceptualised, planned and funded as a coordinated single system. The following deficiencies were noted:

- a chronic mismatch between higher education's output and the needs of a modernising economy;
- a strong inclination towards closed-system disciplinary approaches and programmes, which has led to inadequately contextualised teaching and research. The content of the knowledge produced and disseminated was insufficiently responsive to the problems and needs of the African continent, the Southern African region, and the vast numbers of poor and rural people in our society; and
- absence of regulatory frameworks as a result of a long history of organisational and administrative fragmentation and weak accountability, which inhibited planning and coordination, the elimination of duplication and waste, the promotion of better articulation and mobility, and the effective evaluation of quality and efficiency (NCHE, 1996: 2).

Reuter and Dobert (2002: 165) note that the *White Paper on Higher Education, 1997* also refers to similar concerns, and so suggest that the system was uncoordinated, insufficiently responsive to national needs, fragmented and supply driven. In fact, all higher education policy documents advocate a new regulatory framework that, according to Kraak (2001: 5), "...will coordinate the higher education band as a single coherent whole, applying uniform norms and procedures with sufficient flexibility to allow for diversity in addressing the multiple needs of highly differentiated learner constituencies".

Therefore, the NCHE made a key recommendation in 1996, namely that higher education should be governed, conceptualised, planned and funded as a coordinated single system (NCHE, 1996: 2). A key feature of that system, according to the *Education White Paper 3* (1997: 2.2), will be expanding higher education's social base in terms of gender, class, race and age. All learners will be represented in all programmes to reflect the diversified composition of the country. Adult and disabled learners will be given more access to higher education, and professionals and workers in search of reskilling and multiskilling will be given opportunities to fulfill their aspirations.

3.14.5.2 Increasing Access and Participation

The inequalities that resulted from the apartheid system and the incessant pressures of globalisation for a future workforce that is more highly skilled led to calls for increased access and participation by the previously disadvantaged, especially blacks, in the system of higher education (Reuter *et al.*, 2002: 166). The former system of education concentrated on the enrolment of middle class students into elite professional disciplines. However, the emphasis laid by the new system on increased participation aims at ensuring equity in student enrolment (Kraak, 2001: 5-6).

3.14.5.3 Increased Responsiveness to Societal Needs

This reflects a shift from a closed to an open system of higher education, which relates to societal demands and reality. It emphasises responsiveness to the needs of the community and to the demands of technological development and economic growth. Far-reaching changes and new forms of knowledge are arising within higher education as a result of this new form of responsiveness. The production of knowledge now involves the participation of various actors from various disciplines and from areas outside the higher educational sector. The

assessment of knowledge is now based on scientific criteria as well as utilitarian and practical considerations. These new kinds of trans-disciplinary knowledge and research production in the system of higher education in South Africa are growing, and solutions to many of the economic and social problems facing South Africa are being effected through consulting and applied research work. The new higher education policy framework seeks to encourage this greater responsiveness to community and socio-economic need (Kraak, 2001: 6). This emphasis indicates a shift away from the former closed system of higher education, which was primarily governed by the established disciplines' rules and procedures, towards an open system of higher education which is in touch with the environment within which it operates (NCHE, 1996: 76).

3.14.5.4 Programme Differentiation and Institutional 'Niche' Areas

The NCHE emphasises ongoing institutional diversity and flexibility in terms of boundaries, within the single coordinated system with central planning mechanisms and homogenising tendencies (Reuter *et al.*, 2002: 167). Differentiation of mission in the new system will be based on programme types, in contrast to the institutional focus of the previous system, where the terminal qualifications on offer and the rigid demarcations that separated the various types of institutions (universities, technikons and colleges) restricted learner mobility. The provision of various courses was also restricted in the previous system, which was unresponsive, bureaucratically managed and supply driven. In the single nationally coordinated system, however, differentiation will be based on programme niche areas developed by higher institutions, which will differentiate them from neighbouring institutions, and linked to the funding strategies and human resource development planning of the government, and in the end, to the future economic growth of the country and labour-market needs (Kraak, 2001: 7).

3.14.5.5 The Importance of Planning and Coordination

Central to the idea of state planning is coordination by the state, which strategically steers the system through monitoring and reporting requirements, a regulatory framework of financial incentives, and a system of financial approval. The main function of the state in this regard is, in accordance with the constitutional idea of cooperative governance, to manage the system without any interventionist processes or prescriptive fiat, in cooperation with other relevant stakeholders (Kraak, 2001: 7). The NCHC suggested that to promote a well coordinated system of higher education, the system be steered in the following ways:

- through planning requirements by which institutions are encouraged to outline a distinctive mission, overall institutional plan, enrolment targets and programmes mix;
- through the utilisation of financial incentives by which institutions are encouraged to reorient provision to address training needs and the needs of the national, provincial and local spheres of government; and
- through greater institutional accountability and a set of reporting requirements (Reuter & Dobert, 2002: 163).

The higher education policy documents recommend two types of plan, namely:

- a) a national plan for higher education, and
- b) institutional plans.

a) National Plan

On 5 March 2001, Kader Asmal, the then Minister of Education, launched the *South African National Plan for Higher Education (NPHE), 2001*. The launch marked a new dispensation in the delivery of a quality system of higher education that contributes to minimising the social, political and economic challenges

confronting the country. The primary purpose of the *National Plan* was to ensure that:

- the system of higher education is responsive to the needs and interest of society;
- the objectives of the transformation process are achieved by the system of higher education, as outlined in the *White Paper on Higher Education*, 1997;
- the provision of higher education in the national sphere is executed coherently;
- effective and efficient use is made of limited resources and public funds are adequately accounted for; and
- the quality of academic programmes is improved across the system, including research and teaching (Ministry of Education, 2001: 6).

The *National Plan for Higher Education* provides the framework and mechanisms for the restructuring of the higher education system to achieve the vision and goals outlined in *Education White Paper 3*, (South Africa, 1997: 1.14). These are to:

- promote equity of access and fair chances of success to all who are seeking to realise their potential through higher education, while eradicating all forms of unfair discrimination and advancing redress for past inequalities;
- meet, through well-planned and coordinated teaching, learning and research programmes, national development needs, including high-skilled employment needs;
- support a democratic ethos and a culture of human rights through educational programmes and practices conducive to critical discourse and creative thinking, cultural tolerance and a common

commitment to a humane, non-racist and non-sexist social order;
and

- contribute to the advancement of all forms of knowledge and scholarship, in particular those that address the diverse problems and demands of the local, national, Southern African and African contexts, and uphold rigorous standards of academic quality (South Africa, 1997: 1.14).

The *National Plan* also sets targets for progress and puts into place three-year rolling plans for institutions. It identifies a number of policy goals and strategic objectives necessary for achieving the overall objectives of transformation, including the following:

- ensuring that staff and student profiles reflect the demographic composition of the country;
- ensuring diversity in the institutional landscape; and
- ensuring erosion of past fragmentation, inequities and inefficiencies so as to create a non-racial, non-sexist and democratic society (Ministry of Education, 2001).

A closer look at these strategies, according to the South African Vice Chancellors' Association (SAUVCA, 2001: 3), however, reveals potential tensions, which need to be creatively handled in order to avoid or minimise a repeat of the inequalities of the past. This requires joint problem solving and continuous consultation among stakeholders. The development of the system of higher education in South Africa, despite the progressive *National Plan*, still has a long way to go. Although the aim of the *National Plan* is to rectify past imbalances through planning, funding and quality control, it is only a framework for action, and does not provide detailed modalities for its implementation. The plan as a result is left open to many variables leading to several possible end-results, of which only some might be desirable (Reuter & Dobert, 2002: 146).

b) Institutional Plan

Higher education institutions are required by the *National Plan's* guidelines to devise three-year rolling plans as the basis for funding decisions. These plans include mission statements, programme proposals, strategies for developing new programme areas, gender, race and equity goals and indicative targets for enrolment levels by programme. An institutional plan takes the mission of the institution into account. The plan is also informed by societal equity and labour market requirements, by student demand and, according to Kraak (2001: 8), "...by the new demands of knowledge production in the context of technological innovation and globalisation".

3.14.6 NEW CHANGES IN THE HIGHER EDUCATION SECTOR SINCE 1994

Comprehensive changes have taken place and are still taking place in South Africa's educational sector since 1994. Governance, equity and financial resources were identified by relevant stakeholders as the main issues to be addressed. Addressing these issues, however, has led to instability and turbulence in higher education. Despite these problems, however, the following major changes have taken place since 1994: systemic changes, introduction of the Higher Education Quality Committee, improved and coordinated governance and new funding arrangements (Reuter & Dobert, 2002: 160).

3.14.6.1 Systemic Changes

These systemic changes include a dramatic increase in the number of black and coloured students granted admission to higher institutions; A number of black academics took up government positions but there is only a slight increase in the number of previously disadvantaged groups in teaching and research positions,

while a good number of academic positions have also been filled by South African academic returnees and foreign academics (Reuter & Dobert, 2002: 160).

3.14.6.2 Improved and Coordinated Governance

The government has established a National Department of Education, set up the National Qualifications Framework and enacted a new *Labour Relations Act, 1995* (Act 66 of 1995), in efforts to improve governance. The aim of the National Qualifications Framework is to develop an integrated and comprehensive structure and approach to education and training, and the basis of the framework is a system of credits for achieved learning outcomes. Higher institutions from their side embarked on the process of establishing transformation forums, changing their Acts, reconstituting their councils and initiating regional and cross-institutional cooperation (Reuter & Dobert, 2002: 161).

3.14.6.3 Higher Education Quality Committee

A Higher Education Quality Committee (HEQC) was created by the Council for Higher Education (CHE) to audit and promote quality assurance in higher education and to accredit higher education courses. The CHE develops policy for the higher education sector. The functions of the HEQC also include establishing if the courses offered are in line with national targets and priorities, and if they offer value for money, contribute towards diversity and differentiation, and promote social and personal development, employment and economic growth. Audits of all public and private higher educational institutions by the HEQC commenced in 2004. This is a five-year process of scrutiny, aimed at ensuring that institutions of higher learning are achieving quality in research, learning, teaching and community service. A framework will also be set for the audit process to, according to van Essche and Masson (2004), "...measure quality. Institutions will be held accountable for improving quality, where it is lacking".

3.14.6.4 New Funding Arrangements and Planning

Planning and funding are essential means of steering higher education towards the goals of transformation. An adjusted subsidy formula which was introduced in 1993 ensured that financial crises inherited from the old South Africa were stabilised, but this did not resolve the financial inequalities between the historically advantaged and historically disadvantaged institutions. The funding formula makes special reservations for institutional redress, for student financial aid and for other specific purposes such as the development of competence in new areas, encouragement of adaptation and development of new ideas and products. Higher educational institutions have to align their submissions with their strategic plans when they apply for funding through this programme (South Africa 1997: 50-53). The National Student Financial Aid Scheme, introduced by the government as soon as it took over governance in 1994, has already made available over R1billion to students as loans. This, however, has not been sufficient to meet the financial needs of all students. Many students both enrolled and wishing to enrol for higher education are not able to get bank loans to finance their studies due to such factors as high interest rates, collateral and the credit bureaus' blacklisting of students (Nzimande, 2004).

In 2003, new financial reporting regulations were announced by the government, which demand that higher educational institutions adhere to strict standards of accounting and corporate governance. Higher institutions are held accountable through these regulations for effective and efficient use of public funds and for the identification of issues in need of urgent attention. In 2004, a new cyclical funding system was introduced, in which funding by the national government depends on higher institutions' three-year rolling plans, research outputs, graduation rates and equity, among other targets (Van Essche & Mason, 2004).

3.14.7 CONCLUSION

This chapter explored the international context within which the system of higher education in South Africa operates, and the South African higher education context and relevant policy developments. The chapter reveals that there are two trends at play internationally within higher education. The first is increased moves by governments to interfere in higher education processes, and second is less commitment by governments to funding higher education. These trends are contradictory and paradoxical and can be seen as either a new managerialism, an expression of globalisation, or a new kind of state agenda for higher education.

The chapter explored a number of cases in which governments worldwide have interfered in their countries' higher education systems. It would be inappropriate to contend that some of these cases are not justifiable, since the state has a vital role to play in higher education. The relationship between a national government and its state's higher institutions is usually projected through the former's oversight of higher educational institutions. The state plays a vital role in the administration, support and curricula of higher institutions. The provision of higher education is widely considered by national governments as their responsibility.

Governments around the world used to be the largest financial contributors to the higher education sector, until recently when governments tended to commit less resources to the running of higher institutions. The reasons given by governments for this turn of events include shrinking national revenues, and the need for higher institutions to take responsibility for their own funding.

The question that remains is how can governments' decision to commit less resources to higher education be reconciled with these governments' quest for greater intervention in higher education? It is clear that governments have

constitutional and legislative responsibilities towards higher education; it remains to be established where the border lies between greater interference in higher education and taking adequate responsibility for the proper management and administration of higher education. It can be posited that a government's attitude in this regard should aim at ensuring that higher institutions perform their functions in a manner that achieves national goals and objectives.

The sovereignty and identity of many countries are under erosion as a result of globalisation. Many countries find it difficult to assert their authority and make independent judgements against a backdrop of increasing influence from multinational corporations and the mobilisation of global financial markets. The policy initiatives which these states put in place to improve their human resources are often compromised by multinational domination, international standards, monitoring and controlling bodies, internationalisation of qualifications, international research and universal credits. Policy makers are confronted with internationalised education, communication, population movements, products and service markets. Domestic policies in these areas are no longer only local issues as a result of competition for international investment, which is heightened by multinational corporations' activities and mobility. Domestic matters are now constantly affected by international events and actors, to the extent that national governments often have difficulties in implementing policies and regulations. The implication is that policies must increasingly be made more consistent or competitive with trends in countries' main trading partners.

In view of such internationalisation, sovereign states may no longer be able to provide the larger population with education since the international market holds more influence in determining the kinds of human resources needed in the labour market. In cases where these states are able to ward off such international influence, the extent of government intervention in higher education makes it difficult for higher institutions to maintain their autonomy and academic freedom.

A government's response to free trade and its search for joint solutions to problems of international standard raise questions about its ability to manage its borders. Its participation in international bodies or adoption of international agreements restricts its ability to fully exercise its wishes or mandates, as this may require a modification of domestic policies and practices that it values highly.

Higher education globally is receiving less support from national governments, especially in terms of adequate funding, which has led to disarray within many higher institutions, with negative consequences for academic outputs. Although the development and strengthening of higher education are now receiving renewed attention, remarkable damage has resulted from the years of neglect. A number of governments and heads of higher institutions do not possess adequate systems and strategies for improving their institutions' operations and impact, although there are few cases of successful higher education initiatives.

Countries worldwide, such as Nigeria, Britain and Brazil, are taking steps to improve their systems of higher education by increasing financial commitment, bettering salary packages for academic members and spending more per student. A number of international organisations, such as the Africa-American Institute and the United Nations Education and Scientific Organisation (UNESCO), are also channelling resources to higher institutions, especially for the strengthening of areas such as information technology, faculty and development, administrative operations and the provision of scientific equipment.

The widely held idea that the way to meaningful reform in higher education lies with improving the management ability of such institutions has led in recent years to a series of partnerships between higher institutions across the globe, staff-and student-exchange programmes, university-linkage projects, training programmes for administrative staff, and internships aimed at improving the instructional and management responsibilities of participating institutions. These initiatives aim to

assist higher institutions to develop better budgeting systems, course credit policies, enrolment management systems, systematic curriculum design methods, and systems for tracking facilities and students. Although successes have been recorded from these efforts, higher institutions are still confronted by the challenge of defining and shaping their relationships with their governments and with other stakeholders such as the staff, students and the community.

In the South African context, the system of higher education is considered the best in Africa, with internationally competitive teaching and research capacities. The system is rich in resources and produces research and teaching outputs which have created and sustained the country's sophisticated economic and financial infrastructure, and business, industrial, legal, medical and communications technologies. The same system of higher education has nonetheless contributed largely to the slanted nature of education in the country, in which well developed and world class higher institutions produced good graduates at the same time as the less developed higher institutions produced substandard graduates not adequately trained to contribute to the development of the country.

Higher education in the country in the 1990s was characterised by ideological differences, resistance to change, minimal levels of social interaction among students of different races and backgrounds and poor financial state. In view of these trends, the government intervened in higher education to redress the imbalances of the past, set the sector on a path of growth and development and prepare it to meet the development challenges of the country.

The government attempted to achieve these aims through various measures, including relevant legislation and policies, such as the *Education White Paper 3, A Programme for the Transformation of Higher Education in South Africa*, 1997, and the *National Plan for Higher Education*, 2000. Proposals were made for mergers and incorporation among higher educational institutions. The

government also indicated that certain disciplines or subjects would receive more funding in the universities' subsidy formula; requested a process of quality assurance which requires higher institutions to openly declare their academic progress; and established five key pillars of the new higher education framework, namely: a single nationally coordinated system of higher education; increased access and raised participation rates; increased responsiveness to societal and economic needs; programme differentiation and the development of institutional niche areas; and a planning and coordination imperative.

The changes that have and are still taking place in the higher education sector are numerous. All these changes are aimed towards ensuring that the higher education landscape is properly placed to meet the political, social and economic challenges confronting the country. Governance, equity and financial resources were identified by relevant stakeholders as the main issues to be addressed. However, some of the attempts made to address these issues have created uncertainties around the higher education funding formula, and left higher educational institutions having to source funds outside the government, in efforts to meet the expectations of stakeholders for well trained graduates able to meet the developmental challenges of South Africa's new democratic dispensation.

The following changes have been made within the higher education sector since 1994: improved and coordinated governance; new funding arrangements and the introduction of the Higher Education Quality Committee to audit and promote quality assurance in higher education and to accredit higher education courses.

Overall, however, the higher education policies that the government has put in place since 1994 have not been able to adequately address the challenges facing higher education. These policies are sometimes contradictory. For instance, the government emphasises ensuring that all citizens have access to quality education, but also demands control of student enrolments and the courses that higher institutions may teach. Contradictions of this nature should

be avoided in order to adequately resolve the challenges of higher education in South Africa.

The following chapter considers the South African government's intervention in higher education through the mergers and incorporation processes in chosen higher educational institutions. The government's objectives for these measures and the details of these processes will be examined, while the implications of the mergers and incorporated processes will also be explored.

CHAPTER FOUR

MERGERS AND INCORPORATION OF HIGHER EDUCATIONAL INSTITUTIONS IN SOUTH AFRICA

4.1 INTRODUCTION

In this chapter, questions five, six and seven of the research questions are addressed, namely: what are the government's objectives for the mergers and incorporation of higher educational institutions, and how did the mergers and incorporation processes take place in selected higher educational institutions, namely University of Pretoria, Tshwane University of Technology and the University of Kwa-Zulu Natal; what are the implications of the mergers and incorporation for higher educational institutions; and what problems have or could result from government intervention in higher education? These questions were addressed by examining the national policy objectives for the mergers and incorporation, reaction of higher educational institutions to the process and an in depth look at how the processes were executed in selected higher educational institutions.

A merger is the creation of a new institution out of two or more separate institutions, with the development of new rules, regulations, institutional cultures and academic programmes for the new institution. In other words, the legal personalities of the original institutions disappear while a new institution with one legal entity is created. This is a much more complicated exercise than the process of incorporation. In this case, the legal personality of the incorporating institution remains intact, with the incorporated institution simply becoming part of it. The rules, regulations and academic programmes of the incorporating institution as existing legal entity may continue as usual, while the incorporated institution is aligned to integrate into the larger institution.

The reasons given by the government for the mergers and incorporation, supported by policies such as the *National Plan for Higher Education*, 2001 and the *White Paper on Higher Education*, 1997, include the need firstly to overcome the imbalances in the former system of education; secondly to promote efficiency and effectiveness, in order to meet the needs of a developing economy; and thirdly to reduce overlap and duplications in academic programmes in order to ensure efficient and effective use of resources.

Higher educational institutions across the country reacted differently to the mergers and incorporation processes. While a number of higher institutions recognised the need for these processes, others did not support them and would have preferred to remain as they were. However, as soon as the government decided to implement the merger and incorporation processes, all higher educational institutions had to comply with these national directives and ensure their success. The reasons for the initial reluctance ranged from fear that mergers and incorporation would lead to lowered academic standards, and previously disadvantaged institutions being dominated by formerly advantaged institutions. To allay these fears, the Department of Education took steps to ensure that necessary mechanisms and processes were established to assist institutions in implementing these changes.

The Mamelodi Campus of Vista University was incorporated into the University of Pretoria on 2 January 2004. The incorporation process automatically makes the staff and students of the Mamelodi Campus part of the University of Pretoria, subject to the rules and regulations of the University of Pretoria. The incorporation process also meant that the assets, liabilities, rights and obligations of Vista Mamelodi Campus were transferred to the University of Pretoria in a manner agreed upon by the Councils of the two institutions, or as determined by the Education Minister if the two institutions were not able to reach a consensus. The incorporation process proceeded in several phases. The Councils and management structures of the two institutions entered into a Memorandum of

Understanding (MOU) aimed at ensuring adequate cooperation between these institutions during the incorporation process. As soon as the MOU had fulfilled its mandate, the two institutions entered into a Memorandum of Agreement, a guiding principle for the processes of incorporation. The incorporation process meant the reorganisation of the financial and administrative structures of Vista Mamelodi Campus and the reorganisation of its academic programmes, human resources and conditions of service, library and information systems.

Tshwane University of Technology (TUT) emerged on 1 January 2004 from the merger between Technikon Pretoria, Technikon Northern Gauteng (TNG) and Technikon North West (TNW). TUT is the largest university of technology in South Africa, with a student population of about 63 000, 5000 staff members and sites in Pretoria, Shoshanguve, Garankuwa, Mpumalanga Province and the Northern Province. Prior to the merger process, the Minister of Education requested the three institutions to motivate for the official seat of the new institution. Each of them wanted their institution to be the preferred seat. The motivations given by TNG and TNW hinged on the fact that locating the new seat in their institutions would ensure a speedy transformation from underdeveloped to developed campuses able to meet the developmental challenges of their areas and the country as a whole. Technikon Pretoria's motivation, however, hinged on the fact that it was already well placed in terms of its high level of development and adequate infrastructure, proximity to Pretoria's central business district, good road and transport networks, strong academic leadership, research and development potential and safety for visitors, staff and students. Technikon Pretoria was chosen as the seat of the new university.

The merger process was conducted in various stages. In the interim phase, an interim council and management structure were appointed. The interim management structure was responsible for ensuring that all the activities needed for the effective functioning of the new institution were optimally integrated. Merger teams were appointed to ensure a transparent merger process, effective

communication and the involvement of affected stakeholders, namely the Interim Council, Interim Transitional Council, Joint Merger Teams, Institutional Merger Teams, Joint specialised Teams and Subworking Groups.

The three institutions entered into a Memorandum of Agreement that provided a framework for the merger process, ensured cooperation between the merged institutions prior to the merger date and protected the organisational and operational integrity of the envisaged single university through the various operational decisions that the merging institutions took during that period.

The institutions merged to form the University of Kwa-Zulu Natal were the former University of Natal and the University of Durban Westville. The former University of Natal had a number of campuses, namely Howard College, Mandela Medical School Campus, Edgewood Campus and Pietermarisburg Campus. During the apartheid era, Howard College was a traditionally white higher institution; Edgewood campus focused mainly on education and teacher training; Durban Westville, with a strong Indian orientation, offered an array of programmes in the arts and sciences; and the Pietermaritzburg Campus, which offered programmes in the humanities, was famous for its programmes in environmental, physical and agricultural sciences (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April, 2005).

The Pietermarisburg Campus, an arm of the former University of Natal, 80 kilometres away from Durban, was almost a fully fledged university in its own right as it was larger than the Westville Campus. As a result of its size, management in the former University of Natal considered it difficult to manage. Prior to the merger process, the Pietermarisburg campus practically ran itself as an autonomous entity, since it had a sufficient number of students to justify this. Although the former University of Natal was larger than Pietermarisburg Campus, there was a lot of strong academic activity at the Pietermarisburg Campus.

A joint merger task team was set up, consisting of the executives of the two institutions. In line with the Department of Education's guidelines, a Memorandum of Agreement (MOA) was drafted by the Joint Merger Office. The MOA made provisions for the effective functioning of the new institution by the merger date, by ensuring firstly that adequate organisational and management structures were in place, secondly that clear lines of responsibilities existed during the transitional phase, thirdly that there was no leadership vacuum, and finally that all the campuses had stable and united outlook.

4.2 NATIONAL POLICY OBJECTIVES FOR THE MERGERS AND INCORPORATION

The merger and incorporation policy is underpinned by a number of reasons, found in various pieces of legislation such as the *National Plan for Higher Education, 2001*, the *White Paper on Higher Education, 1997*, and other relevant government policies. These reasons, some of which were alluded to in chapter three, include:

- overcoming the fragmentation created in the higher education system by apartheid policy makers; this means bridging the gap between institutions perceived as historically white and those perceived as historically black, and by so doing promoting equity in relation to staff and students;
- promoting efficiency and effectiveness in higher education management and administration;
- strengthening of the academic nature of institutions;
- making institutions more responsible in terms of regional imperatives and developmental needs;
- promoting the sharing of expertise among higher institutions and experts;

- reducing overlap and duplications in academic programmes and, as a result, ensuring efficient and effective use of resources;
- consolidating academic programmes so as to enable students to take a wider range of academic courses; and
- consolidating existing academic programmes so as to produce a variety of programmes that meet national and regional needs.

These reasons, in the final analysis, all stem from a quest to create higher institutions that are more resilient, stronger and “able to offer their students high quality academic programmes and enhanced opportunities for success in South Africa as a whole” (University of Pretoria, 2003b: 7).

4.3 REACTIONS OF HIGHER INSTITUTIONS TO THE MERGER AND INCORPORATION PROCESSES

The reaction of institutions to the mergers and incorporation varies across the higher education sector. Some institutions recognise that the mergers and incorporation have to take place in order to develop a sustainable higher education system. Others, however, did not support the mergers and incorporation and would have preferred not to be merged or incorporated. However, as soon as the government took the decision implement the mergers and incorporation, the attitude of higher institutions became a determination to make the process work.

Some previously advantaged institutions feared being merged with previously disadvantaged institutions, and considered the process problematic. Some of the historically black institutions were also opposed to the mergers for the following reasons:

- fear of being dominated by formerly white institutions;

- fear of retrenchment;
- concern that the process would be costly and institutions would have to bear the financial burden; and
- concern as to whether the institutions themselves had the capacity to implement the mergers or incorporation as they did not have prior experience in such change management processes (Interview, Chief Director: Merger Unit, Department of Education, 12 April 2005).

To allay these fears, the Department of Education ensured that the necessary mechanisms and processes were in place to assist institutions in implementing these changes. The government committed itself to providing financial support for the mergers and incorporation. An amount of R3 billion was set aside by the National Treasury for the restructuring process. Half of this was intended to recapitalise institutions that were undercapitalized, to allay fears about merging institutions of unequal financial standing leaving stronger institutions bearing the debt burden of institutions that were not financially sound. The government therefore committed itself to avoiding such financial complications. This resulted in the establishment of a merger unit in the Department of Education. The unit consists of people with expertise in a range of areas, including human resources, finance, ICT, governance and management, academic training, student support and legal matters. The role of the merger unit is basically to provide support and assistance and to monitor institutions that are implementing the merger and incorporation processes (Interview, Chief Director: Merger Unit, Department of Education, 12 April 2005).

4.4 UNIVERSITY OF PRETORIA

4.4.1 Introductory Paragraph

The Mamelodi Campus of Vista University was incorporated into the University of Pretoria on 2 January 2004. The incorporation process automatically makes the staff and students of the Mamelodi Campus part of the University of Pretoria and subject to the rules and regulations of that university. The incorporation process also meant that the assets, liabilities, rights and obligations of Vista Mamelodi Campus are transferred to the University of Pretoria in a manner agreed upon by the Councils of the two institutions, or as determined by the Education Minister if the two institutions are not able to reach a consensus. The incorporation process proceeded in various phases. The Councils and management structures of the two institutions entered into a Memorandum of Understanding to ensure adequate cooperation between these institutions during the incorporation process. As soon as the MOU had fulfilled its mandate, the two institutions entered into a Memorandum of Agreement, the guiding principle for the process of incorporation. The incorporation process meant the reorganisation of the financial and administrative structures of Vista Mamelodi Campus, and of its academic programmes, human resources and conditions of service and library and information systems.

4.4.2 Incorporation of the Mamelodi Campus of Vista University into the University of Pretoria

The changes the University of Pretoria has experienced in the last few years with regard to its student profile have resulted in the transformation of the university from a predominantly white Afrikaans institution to a national university that provides access to qualified students of all races.

The Vista Mamelodi Campus, which was one of several campuses of Vista University, was incorporated into the University of Pretoria on 2 January 2004, and as a result, now falls under the governance structure of the latter. As a result of the incorporation, all Vista Mamelodi Campus students automatically become University of Pretoria students, subject to the general regulations and rules of the University of Pretoria. Apart from the national reasons given for the incorporation and merger processes, a reason given for this specific incorporation of the Mamelodi Campus into the University of Pretoria is geographical. The Mamelodi Campus is in close proximity to the University of Pretoria.

The incorporation process happened in various phases. The Department of Education's Guidelines for Mergers and Incorporation served as the basis for the two institution's management, planning and monitoring of the process of incorporation (University of Pretoria, 2003(f): 3). The incorporation of Vista into the University of Pretoria did not affect the legal personality of the University of Pretoria. The aim of the incorporation of a subdivision of another higher institution, according to the *Higher Education Act, 1997* (Act 101 of 1997: section 1) is "...to make an identified subdivision, faculty, school, department, section or component of a public institution for higher education or education institution part of another public higher education institution while the latter institution's legal personality is not affected by the incorporation" (University of Pretoria, 2003(e): 2).

4.4.3 How do Higher Education Institutions feel about the Incorporation?

There were mixed reactions from institutions concerned with the incorporation process. For instance, Vista was afraid that it would be swallowed up by the University of Pretoria, which felt that the incorporation was a directive from the national government which had to be carried out. It had to be done and the focus from the start was to do it as properly as possible to make it a well managed and

successful process. Once it was clear that the incorporation had to take place, apart from the fact that it was an extra burden that required extra work from staff members, there was no real negativity on the part of the University of Pretoria personnel (Interview, Executive Assistant, Office of the Vice Principal, University of Pretoria: 14 April 2005).

The incorporation of Vista Mamelodi Campus into the University of Pretoria brings with it a number of positive effects for the staff and students of Vista Mamelodi Campus. This is because the target market of Vista Mamelodi Campus and even Vista University as a whole was black students from all over the country and as far away as Botswana, Namibia and Malawi, especially indigent students, unable to pay the costs of higher education at some of the previously advantaged universities. The fact that most Vista Mamelodi Campus students are poor is evident in the following ways:

- Vista Mamelodi students do not pay their registrations fees in full until much later in the year when they have been able to save;
- these students sometimes take breaks of a year or two from their studies in order to earn sufficient money to complete of their studies;
- students often protest any fee increase;
- students rent accommodation from members of the Mamelodi community since Vista had no student residences; and
- members of the Student Representative Council receive rebate on tuition fees, as an incentive for students to seek election to the student governance structure (University of Pretoria, 2003(e): 16).

4.4.4 The Incorporation Process

A number of Vista Mamelodi Campus role players were represented on the governance structures of the University of Pretoria to smooth the material

incorporation of the Mamelodi Campus of Vista University into the University of Pretoria. This management structure was aligned with and integrated with the University of Pretoria's Management structure (University of Pretoria, 2003 (e): 2).

As a result of the incorporation process, a number of issues had to be addressed. Working groups from the two institutions were established around core themes and they met on numerous occasions to work out the details of the incorporation process, in line with the guidelines and regulations provided by the Department of Education and its Minister. The information they gathered was also the basis for the *Memorandum of Understanding* (MOU) that was drawn up to guide the incorporation process. A Central Incorporation Committee, made up of three representatives from each institution, was established to lead the process and monitor the activities of the working groups (University of Pretoria, 2003(a): 6). The Committee was also responsible for institutional coordination, integration, facilitation of the incorporation process, as well as for making recommendations to the Councils and top management of both institutions. This committee, on the basis of the reports it received from task teams, advised the Councils of the two institutions as to how to comply with the provisions of the *Higher Education Act, 1997* (Act 101 of 1997: Section 24), on issues relating to the assets, liabilities, rights and obligations of the subdivision concerned (University of Pretoria, 2003 (f): 6).

4.4.5 Memorandum of Understanding (MOU)

The Memorandum of Understanding (MOU) is a joint understanding between the Councils of the two institutions, including their management structures (University of Pretoria, 2003 (f): 1). Its aim is to ensure adequate cooperation between the two institutions during the incorporation process and that decisions do not adversely impact on the operational and organisational integrity of the two

institutions. The MOU dealt with issues such as effective communication, transparency, appointment of personnel, full disclosure of information, renewal of service contracts, participation and inclusion of all stakeholders (University of Pretoria, 2003(a): 3).

The discussion groups that were constituted prior to the incorporation process enabled the two institutions to deal with problems that could have made the process complicated. For instance, as a result of these initial discussions, the University of Pretoria agreed to let some of the programmes at the Mamelodi Campus to run their course, since the pipeline students follow the Vista programme. The University of Pretoria decided to discontinue some other programmes that were seen as not economically viable. Also, new programmes to commence in 2005 were designed for the new institution. Any student that wished to study a programme outside those offered at Vista Mamelodi Campus were advised to apply to the main campus in Pretoria which has a larger student body and, as a result, is more economically sustainable (Interview, Vice Principal, University of Pretoria, 29 April 2005).

4.4.6 Memorandum of Agreement

In 2003, top management at the two institutions decided that the Memorandum of Understanding (MOU), as the guiding document for the incorporation, had fulfilled its mandate and that a Memorandum of Agreement (MOA) was now needed to guide the process. The two institutions agreed to establish suitable management structures at the Mamelodi Campus to carry out daily operation and management. They also agreed to follow the ordinary human resource processes of the University of Pretoria to appoint suitable candidates (University of Pretoria, 2003 (c): 6). Students who were registered at the Mamelodi Campus at the time of the incorporation (pipeline students) were allowed to complete their studies

within a specified period, under the Vista University regulations (University of Pretoria, 2003(e): 19-20).

One of the consequences of the incorporation of Vista Mamelodi Campus into the University of Pretoria is that the assets, liabilities, rights and obligations of Vista Mamelodi Campus are transferred to the University of Pretoria as agreed upon by the Councils of the two institutions or in a manner determined by the Minister of Education, should the two institutions fail to reach an agreement (South Africa, 1997(b): section 24 (2)) The parties agreed that all agreements lawfully entered into by Vista Mamelodi Campus would be accepted as having been entered into by the University of Pretoria. However, should any agreement not have been made fully known to the University of Pretoria, “such debts will be for the account of Vista University, its legal successor in title or the Department of Education if there is no legal successor” (University of Pretoria, 2003 (c): 7).

4.4.7 Financial and Administrative Reorganisation

The financial administration of the Mamelodi Campus was incorporated into the University of Pretoria's financial system and procedures from 1 January 2004. These systems and procedures, as a matter of necessity, had to ensure that the staff, student and finances' administrative systems were fully operational at the Mamelodi Campus by the merger date. The process involved some expenses at the Mamelodi Campus. For instance, funds were needed to upgrade the computer infrastructure, for “linkage with the University of Pretoria's mainframe computer and provision of several computer workstations to facilitate decentralised financial operations” (University of Pretoria, 2003(d): 13).

4.4.8 Transfer of Vista Funds to the University of Pretoria

On the date of incorporation, the following Vista funds were paid over to the University of Pretoria:

- current employees pension and provident funds;
- current employees accumulated medical benefits;
- funds related to conditions of service, namely personal loans and group life;
- accumulated funds relating to current employees accumulated leave; and
- all agency funds associated with National Student Financial Aid, research contracts and National Research Foundation (University of Pretoria, 2003(c): Annexure B).

4.4.9 Academic Programmes

In 2003, the Mamelodi Campus of Vista University had 16 postgraduate programmes with 147 enrolments. Less than five students were enrolled in nine of the postgraduate programmes. As a result, some of these programmes were phased out and students registered for these programmes had to re-register as University of Pretoria students. The University of Pretoria's student database, however, reflects these students as following the programme and curriculum of the Mamelodi Campus of Vista University, and in this way they can be identified until they either complete their studies or withdraw from the programme. If they successfully complete their studies, they will receive certificates from the University of Pretoria with an inscription to the effect that the students followed the Mamelodi programme and curriculum. New postgraduate students, however, have to register with the University of Pretoria where they have to meet its admission requirements. In 2004, an exception was made for B Psych and MA

CW post-graduate programmes for which the Vista admission requirements and regulations applied (University of Pretoria, 2003(c), Annexure D: 10 & 13).

4.4.10 Human Resources and Conditions of Service

The incorporation process is not meant to deprive employees of their jobs. The *Higher Education Act, 1997* (Act 101 of 1997: Section 23) prescribes transitional arrangements for staff members, which provide for the transfer of Vista Mamelodi Campus staff members to the University of Pretoria staff with their existing conditions of service. Contracts of employment, according to the Act, "...are automatically transferred to the merged single public higher education institution as from the date of the merger". The Act, however, further provides that, since the salary structures of higher institutions are not necessarily the same, after the incorporation, any changes in remuneration packages of Mamelodi Campus staff members would be resolved in line with the provisions of the *Labour Relations Act, 1995* (Act 66 of 1995).

4.4.11 Library and Information Systems

The importance of the Academic Information Service (AIS) Library at the University of Pretoria to the university community in terms of the support it provides to the core business of higher education in teaching, research and learning is considerable, and its range of services is vast. The information technology systems of the AIS are complex, and use a different classification systems than do the Mamelodi systems. The system at Vista Mamelodi Campus had to be changed to the University of Pretoria's classification system. The incorporation of the AIS of Vista Mamelodi with that of the University of Pretoria was achieved by a specially designed Task Team as "...not just simply the absorption of one library by another, but ... as an opportunity for implementing

new services and initiatives in line with the needs of all clients of the AIS” (University of Pretoria, 2003(c): 63).

4.4.12 Dispute Resolution

The parties agreed to resolve all disputes that result from the incorporation process. They agreed to refer all unresolved disputes to the Central Incorporation Committee (CIC) for resolution, and, should the CIC be unable to resolve the same dispute, to the Joint Management Committee (JMC). If these two bodies both failed to reach an agreement, the disputes were referred to the Vice-Chancellors of the respective institution for resolution. If the Vice Chancellor were unable to resolve a dispute, it was “referred to the Councils of the respective institutions for their consideration with a view to resolve the dispute” (University of Pretoria, 2003 (f): 7-8).

4.4.13 Concluding Paragraph

The incorporation process led to the transfer of the assets, liabilities, rights and obligations of Vista Mamelodi Campus to the University of Pretoria, and the disappearance of Vista Mamelodi Campus as an entity. Vista funds were paid over to the University of Pretoria on the incorporation date. The two institutions agreed to work closely together and to refer unresolved disputes to the Central Incorporation Committee (CIC), to the Joint Management Committee (JMC) should the CIC fail to resolve the dispute, or to the Vice Chancellors of these institutions if the CIC and JMC were not able to resolve it. And if the Vice Chancellors failed to resolve a dispute, it would pass to the Councils of the two institutions for resolution.

4.5 TSHWANE UNIVERSITY OF TECHNOLOGY

4.5.1 Introductory Paragraph

Tshwane University of Technology (TUT) emerged on 1 January 2004 from the merger between Technikon Pretoria, Technikon Northern Gauteng (TNG) and Technikon North West (TNW). TUT is the largest university of technology in South Africa, with a student population of 63 000, 5000 staff members and sites in Pretoria, Shoshanguve, Garankuwa, Mpumalanga Province and the Northern Province. Prior to the merger process, the Minister of Education requested the three institutions to motivate for the official seat of the new institution, and each of them wanted their institutions to be the preferred seat. TNG and TNW claimed that locating the new seat at their institutions would ensure their speedy transformation from underdeveloped to developed campuses able to meet the developmental challenges of their areas and the country as a whole. Technikon Pretoria's motivation, however, stressed that it was already well placed in terms of its high level of development, adequate infrastructure, proximity to Pretoria's central business district, good road and transport networks, strong academic leadership, excellent research and development potential and safety for visitors, staff and students. Technikon Pretoria was chosen as the new seat for Tshwane University of Technology.

The merger process was conducted in various stages. In the interim phase, an interim council and an interim management structure were appointed. The interim management structure integrated all the activities needed for the effective functioning of the new institution. Merger teams were appointed to ensure a transparent process, effective communication and the involvement of affected stakeholders, namely the interim council, interim transitional council, joint merger teams, institutional merger teams, joint specialised teams and subworking groups.

The three institutions entered into a Memorandum of Agreement that provided a framework for the merger process, that ensured cooperation between the merged institutions prior to the merger date and that ensured that the organisational and operational integrity of envisaged single university were not affected by the operational decisions that the merging institutions took during that period.

4.5.2 The Merger between Technikon Pretoria, Technikon Northern Gauteng and Technikon North West

A university of technology plays a vital role in the economic success of a country by producing technologically literate and skilled people. The aim of Tshwane University of Technology (TUT) is to be a leader in technological innovation and transfer of technology, and in effect, contribute to job creation, economic development and enhancing institutional resources. Tshwane University of Technology (TUT) came into existence as a result of the merging of the following institutions: Technikon Pretoria, Technikon Northern Gauteng (TNG) and Technikon Northwest (TNW). The seat of management is located at the Pretoria Campus. TUT is currently the largest university of technology in South Africa, with 63 000 students, about 5000 permanent and temporary staff members, and sites in Pretoria, Garankuwa, Shoshanguve, Mpumalanga and Northern Province (Tshwane University of Technology, 2004(a): 3&9).

4.5.3 Determining the Official Address (Seat) of the New Institution

The three institutions were asked by the Education Minister to motivate for the new institution's preferred location. They were also required, by the end of June 2003, to suggest to the Education Minister a new name for the institution, a date of establishment, and nominations for appointment to the Interim Council. These suggestions were submitted after a lengthy process of consultation.

The Minister of Education gave criteria for the location of the seat; the new institution was to be located close to a central business district so that staff and students could have easy access to the city centre. Furthermore, the Minister said that the choice should be informed by the five policy goals and strategic objectives set out by the *National Plan for Higher Education, 2001* as necessary for achieving the overall goal of transforming the higher education landscape (Tshwane University of Technology, 2004(b): Annexure B: 1).

The three institutions initially resisted the merger for various reasons. Technikon Pretoria argued that it was much bigger than Technikon Northern Gauteng (TNG) and Technikon North West (TNW), and had a better infrastructural endowment; it had about 30 000 students, while TNG only had about 12 000 students and TNW about 4 000 students. Technikon Pretoria's resistance to the merger also hinged on the fact that it had already moved towards the concept of a university of technology. It was already offering a variety of Masters and Doctoral degrees, and its research and development programmes were more developed than the processes within TNW and TNG. Technikon Pretoria claimed to exceed the research output of TNW and TNG by more than 90% and that it had transformed in line with many of the objectives of government. Technikon Pretoria further saw itself as ahead in the development of academic programmes, as the leader of the Technikon fraternity (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

The Councils of the three institutions were, however, informed in the Minister of Education's letter on 9 December 2003, that the merger would continue. The institutions eventually agreed to take part in the merger process, in order to comply with the national objective of transforming and restructuring the system of higher education in the country so as to meet the research and human resource needs of the country. The institutions signed a Memorandum of Agreement in June 2003 (Tshwane University of Technology, Undated (a): 1).

Each of the three institutions wanted to be the seat of management. They motivated their claims as follows:

4.5.3.1 Motivation by Technikon North West (TNW) and Technikon Northern Gauteng (TNG)

The arguments that Technikon North West and Technikon Northern Gauteng submitted stressed that locating the headquarters in their institutions would bring development to them and speed up the process of redressing the imbalances of the past. TNG and TNW however, eventually agreed among themselves that it did not matter if the new seat was located in either of their institutions. All they wanted was that the seat of management be located in a disadvantaged institution, to ensure equalisation of structures and facilities and also that the surrounding townships were uplifted faster (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

4.5.3.2 Motivation by Technikon Pretoria

Technikon Pretoria proposed that the seat of the new institution be located at its Rand Campus for the following reasons:

a) Size and Shape of the New Institution

Technikon Rand Campus was the main Campus of Technikon Pretoria. It was the largest of the three institutions in terms of student enrolment, with 74% black students and 45% female. The campus also offered more than 125 Bachelor of Technology (BTech) programmes, 71 Master of Technology (Mtech) programmes and 51 Doctor of Technology (DTech) programmes. The Campus considers itself a leader in higher education, especially as it had a number of faculties and programmes not offered by the two other institutions, including a Faculty of Information and Communications Technology, a Faculty of Health

Sciences and a Faculty of Agriculture, Horticulture and Nature Conservation. The French-South African Technical Institute in Electronics (F'SATIE), a joint initiative between France and South Africa, is located at the Rand Campus. The Rand Campus, out of all the technikons in South Africa, was chosen as the preferred location after a high-level visit, investigation and survey by an international panel. The campus also houses all the support structures necessary for the proper functioning of a seat of higher institution (Tshwane University of Technology, 2004(b): 9-10).

b) Economic Growth and Regional Development Patterns

The high level of expansion and development within the metropolitan area of Tshwane, as well as in Gauteng Province, was also a major advantage. The location of the seat of a new institution needs to consider not only present realities but also prospects for future economic growth and development. The Technikon Pretoria, in particular its Rand Campus, is located within Pretoria's central district, with a good road network and transport connections which enable visitors, staff and students easy access to the Campus (Tshwane University of Technology, 2004(b): 4).

c) Academic Leadership

Technikon Pretoria has an established history of good academic leadership, in terms of curriculum development and application of telematic education, which emphasises the use of technology to enhance learning and teaching. In terms of curriculum development, "Technikon Pretoria's involvement in convenorships is a definite strength. The Technikon is the convenor for 75 of the 237 programmes that are offered by Technikons" (Tshwane University of Technology, 2004(b): 10 & 12).

Technikon Pretoria has academic strengths necessary for the production of graduates with the right competencies and skills to meet South Africa's human resource needs. This is evident in the high number of qualified academics in the institution. The technikon had the highest number of qualified graduates in any South African technikon. At the time of the merger it had more than 55 Professors; about 40% of its staff members had Masters degrees and about 16% had Doctorate Degrees (Tshwane University of Technology, 2004(b): 13).

d) Research and Development (R&D)

Technikon Pretoria developed and promoted several research and development focus areas around themes of particular relevance to the needs and priorities of the country and the region of Southern Africa. These could arguably be said to be the most advanced at any of the country's technikons (Tshwane University of Technology, 2004(b): 14).

e) Access to Students

Since the Campus already caters for students from the Gauteng, Limpopo and Mpumalanga provinces, it was an ideal site for a seat located centrally within Gauteng for easy access to all its stakeholders (staff and students). The campus at the time of the merger had the largest number of students of the three possible sites, and the largest concentration of residences (Tshwane University of Technology, 2004(b): 7-8).

f) Proximity to Position of (State) Power

Geographic considerations are very important in selecting a new seat. The new institution must be positioned as close as possible to the heart of the capital's seat of power, the political power that has an impact on it, and close to businesses and institutions of government, to enhance rapid and adequate

service delivery. Being close to the seat of power also enhances the image of the institution. Technikon Pretoria satisfied this requirement, being situated close to the Union Buildings and other important institutions of government (Tshwane University of Technology, 2004(b): 15-16).

g) Safety of Staff and Students

The safety of staff and students was another consideration put forward. The proximity of staff residences to the seat of the new institution had to be considered. Since Technikon Pretoria was situated around Pretoria's city centre, it could offer "the greatest variety and spectrum of housing options in a radius around it than any alternative site" (Tshwane University of Technology, 2004(b): 16).

4.5.4 Decision on the Seat of the new Institution

Since the three institutions could not agree among themselves on which should become the new seat, the Minister of Education had no choice but to decide on the location of the new headquarters. Technikon Pretoria's Rand Campus was announced as the seat of the new institution from 1 January 2004. The whole of the top management (that is, all the strategic positions – the Vice Chancellor, Deputy Vice Chancellors, administration and finance and strategic planning offices) is currently centralised at the new seat of governance.

4.5.5 The Merger Process

The merger process was executed in a very participative and consultative manner. About 800 people from the three institutions, including students and labour unions, were involved in the pre-merger process. Tshwane University of Technology developed its merger plan in line with the merger guidelines of the

national government (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

Pre-merger activities commenced long before the institutions were actually merged on 1 January 2004. These activities were aimed at determining the state of the three institutions, including the academic programmes on offer, financial processes and procedures, infrastructure and number of staff and students. Groundwork, which led to recommendations for inter-institutional arrangements being made, included audits of various faculty profiles, the identification of duplicate academic programmes, delineation of the functions of student support and of cultural differences within staff and student bodies. A merger plan and schedule of integration were developed as guidelines for the merging institutions to follow. Committees and forums made up of managers, representatives from the Unions and students from the three campuses were also established to assist with the processes of integration. The Committees included the Administrative Integration Committee (AIC), and the Academic Integration and Planning Committee (Tshwane University of Technology, 2005(b): 1).

The interim merger phase witnessed the appointment of the interim council and an interim management structure from 1 January 2004. The interim management structure's main responsibility was to ensure that all the activities necessary for effective functioning of the new institution were effectively integrated (Tshwane University of Technology, 2005(a): 1). The Interim Vice Chancellor was appointed from the staff of Technikon Pretoria, the institution named as the seat of the newly merged higher educational institution.

4.5.6 Structure and Composition of Merger Teams

In order to realise the rationale and philosophy of the merger, the following teams, each with their own unique brief, were established to ensure that the merger process was transparent, that communication was effective and that all

stakeholders were involved: Interim Council, Interim Transitional Council (ITC), Joint Merger Team (JMT), Institutional Merger Team (IMTs), Joint Specialised Teams (JMTs) and subworking groups as each JST identified (Tshwane University of Technology, undated (a): 3).

4.5.6.1 Interim Transitional Committee (ITC)

The Interim Transitional Committee (ITC), which is a joint coordinating/steering committee, was appointed by the Councils of the merging institutions to oversee the merger process and the implementation of the Memorandum of Agreement. It was accountable to its individual Councils and its role was also to establish the Joint Merger Team (TNG, TNW & TP, 2003: 11).

The Interim Transitional Committee was made up of the three chairpersons of the then Councils and the three Vice Chancellors of those institutions, and they acted as the overall drivers of the merger process. The meeting venues as well as the chairpersons were rotated, and meetings were called if a need arose for decision-making or approval of decisions (Tshwane University of Technology, undated (a): 5). The ITC's responsibility was to guide the merger process and be responsible for the strategic direction of the new institution; approve the new institution's policy framework; establish the Joint Merger Team; prepare and submit the transition period's budget to the Minister of Education; appoint an independent facilitator, with government approval; and determine the Joint Merger Team's terms of reference (Tshwane University of Technology, undated (a): 5).

4.5.6.2 Joint Merger Team (JMT)

The Joint Merger Team was made up of equal number of representatives from the merger partners, was responsible for developing and managing the necessary processes for a successful merger (TNG, TNW & TP, 2003: 11).

The JMT reported directly to the Interim Transitional Committee on merger matters. Its responsibility included: to manage the whole merger process and give strategic direction to the new institution; to develop the new institution's policy frameworks; to make decisions or approve the Joint Macro Task Teams' proposals; to prepare progress reports on the activities; establish and manage the merger timeframes; to resolve disputes around the merger process and refer issues that could not be resolved to the independent facilitator; to establish the possible management structure, profile and model of the new institution for recommendation to the new Council; and to take decisions or approve recommendations of Joint Macro Task Teams (Tshwane University of Technology, undated (a): 6).

4.5.6.3 Institutional Merger Teams (IMT)

The Joint Merger Team, which had representation from each institutional merger team, had joint responsibility for the merger process, while the various institutional merger teams were the merger process' internal drivers. The functions of the IMTs included internal management of the merger process to ensure its success (Tshwane University of Technology, undated (a): 6).

4.5.7 Key Performance Areas

The following key performance areas were identified within the academic planning environment to steer the process of integration in 2004:

- development of policies, strategies, procedures, processes and other academic-related policies on new teaching and learning, cooperative education, research and development, technology transfer and innovation;
- development and approval of a new policy on admission, registration process and procedures;

- development and approval of new regulations and rules on examination;
- development of a new academic plan and programme qualification mix;
- development of process towards an institutional audit and strategies for a Total Quality Promotion (TQP) policy;
- development of a new language policy for teaching;
- implementation of a planning process and strategy for student enrolment; and
- integration and consolidation / harmonisation of academic programmes relating to learning materials, admission requirements, selection procedures, assessment methods and uniform curricula for first year programmes (Tshwane University of Technology, 2005 (b): 1).

4.5.8 Memorandum of Agreement

The three institutions entered into a memorandum of agreement to provide a framework for the merger process, to ensure cooperation between the merged institutions during the period preceding the merger date, and to ensure that operational decisions made by the merger institutions during that period did not impact negatively on the envisaged single higher education institution's operational and organisational integrity (TNG, TNW & TP, 2003: 5). The agreement elapsed on 1 January 2004.

4.5.8.1 Memorandum of Agreement Principles

The three institutions who were party to this memorandum agreed to carry out their activities in a transparent manner; to fully and timeously disclose all relevant information for facilitating the merger; to make joint decisions on matters of organisational and operational importance for the envisaged new institution (TNG, TNW & TP, 2003: 6). They also agreed that the following matters would be

handled through joint decision-making and cooperation: operational functionality, filling of posts, promotion of employees, employee remuneration, renewal of contracts, capital expenditure, academic and community-related agreements, settling of disputes and arbitration and communication (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

a) Operational Functionality and Communication

The three institutions agreed on transitional arrangements, timeframes and processes that would ensure speedy movement towards integrated operations. A commitment was made by the parties to ensure that all relevant stakeholders were fully briefed on the merger processes through open, transparent and effective channels of communication (TNG, TNW & TP, 2003: 8 & 14).

b) Severance Packages

The new institution offered voluntary severance packages for excess or redundant staff and all those who would like to leave the services of the University. Two weeks pay was provided for every year of service. Affected staff who did not want to leave the institution were redeployed. The institution had to offer an employee an available position with which he/she felt comfortable, subject to the availability of such a position. Such an employee was liable, however, to retrenchment if he/she refused to accept the offer (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

All Vice Chancellors and Deputy Vice Chancellors were subjected to this process. The Vice Chancellors of the three institutions were invited for an interview with the Council members of the three institutions. The Vice Chancellor of former Technikon Pretoria was appointed as the interim Vice Chancellor, while

the former Vice Chancellors of the two other institutions became the Senior Deputy Vice Chancellors (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April, 2005).

c) Filling of Posts

No vacant posts were to be filled prior to the merger date, except the three Vice Chancellors agreeing to fill such posts temporarily (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

d) Promotion of Employees

Promotion of employees to senior positions (levels 1 to 5) prior to the merger date was forbidden unless the three Vice Chancellors mutually agreed on the need or importance of such promotions for operational purposes (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

e) Employee Remuneration

A moratorium was placed on all out-of-cycle salary increases and/or adjustments. However, the Vice Chancellors of the three institutions had to reach mutual agreement on the normal annual salary increases and/or adjustment (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

f) Renewal of Contracts

The three Vice Chancellors had to mutually agree before the renewal of any existing service rendering or purchasing contracts. A new service or purchasing contracts could not be entered into without the agreement between the three

Vice Chancellors. In cases, however, where there was agreement on the need to renew a service or purchasing contract in order that service provision not be disrupted, the three Vice Chancellors jointly determined the length of the contract (TNG, TNW & TP, 2003: 9-10).

g) The Status of Pipeline Students

The new institution decided that pipeline students would continue their academic programmes in the way they enrolled. 'Pipeline student' status was retained by students previously registered but with uncompleted qualifications (programmes) if their studies had not been interrupted; they had not failed to reregister for any previous year or semester since their first registration, including 2005; they qualified for future reregistration for that particular programme in terms of the Exclusion Policy of the University; and they had not failed a year or semester of study. In a case where a student failed a year or semester of study, a discretionary allowance could be granted by the university for the student to repeat the modules or subjects. Should the student, however, fail a second time, he/she could be granted access only to the integrated subjects. In the case of postgraduate students, they would be able to complete their programmes under the old regulations "in cases where the maximum duration of studies change (Tshwane University of Technology, 2005 (b): 2, 8 &12).

h) Capital Expenditure

Unless the three Vice Chancellors mutually agreed or had the Minister of Education's support, a moratorium was placed on all new capital expenditure projects (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

i) Academic and Community related agreements

The parties agreed to uninterrupted academic and community-related agreements during the merger process in order to enhance learning and teaching, research, development and community participation (TNG, TNW & TP, 2003: 10).

j) Settling of Disputes and Arbitration

The parties further agreed to refer disputes which they could not resolve to arbitration. They also had the prerogative to obtain interim relief from a court of competent jurisdiction pending a decision by the arbitrator (TNG, TNW & TP, 2003: 10).

4.5.9 Concluding Paragraph

Tshwane University of Technology was created on 1 January 2004. Pretoria Technikon was chosen by the Education Minister as the official seat of the new University, as the three merging institutions failed to reach an agreement among themselves on where the seat of the new university should be located. The merger process was carried out in a consultative and participatory manner, with the involvement of relevant stakeholders and in line with the national government's merger guidelines. The three institutions embarked on pre-merger activities before the 1 January 2004 merger date. The activities aimed to determine the state of these technikons, including available infrastructure, the programmes offered, financial procedures and processes, the number of staff and students, duplicated academic programmes, student support programmes and cultural differences among staff and students.

The Memorandum of Agreement into which the three merging institutions entered covered the following areas: operational functionality and communication;

severance packages; filling of posts; promotion of employees; employee remuneration; renewal of contracts; the status of pipeline students; capital expenditure; academic and community-related agreements; and dispute resolution and arbitration. They agreed to refer unresolved disputes to arbitration, and if necessary, to obtain interim relief from a court of competent jurisdiction while they waited for the arbitrator's decision. In the MOA, the three institutions agreed to carry out their functions in a transparent manner; to disclose all relevant information necessary for an uncomplicated merger timeously; and to make joint decisions on matters with organisational and operational impact for the envisaged new institution.

4.6 UNIVERSITY OF KWA-ZULU NATAL

4.6.1 Introductory Paragraph

The institutions that were merged to form the University of Kwa-Zulu Natal were the former University of Natal and the University of Durban Westville. The former University of Natal had a number of campuses, namely Howard College, Mandela Medical School Campus, Edgewood Campus and Pietermaritzburg Campus. Prior to 1994, Howard College was a traditionally white higher institution; Edgewood campus focused mainly on education and teacher training; Durban Westville, with a strong Indian orientation, offered various programmes in the arts and sciences; and the Pietermaritzburg Campus which offers programmes in the humanities was famous for its programmes in environmental, physical and agricultural sciences.

The Pietermaritzburg Campus, an arm of the former University of Natal, 80 kilometres away from Durban, was almost a fully fledged university in its own right. It was very large, larger than the Westville Campus. As a result of its size, management in the former University of Natal considered the Pietermaritzburg campus difficult to manage. It was almost an autonomous entity, its independence justified by its large student number. Although the former

University of Natal was larger than the Pietermaritzburg Campus, there was strong academic activity at the Pietermaritzburg Campus.

A joint merger task team, which was serviced by a small planning office, was set up and consisted of the executives of the two institutions. In line with the Department of Education's guidelines, a Memorandum of Agreement was drafted by the Joint Merger Office. The MOA made provision for the effective functioning of the new institution by the merger date, by ensuring that adequate organisational and management structures were in place, that clear lines of responsibility existed during the transitional phase, that there was no leadership vacuum, and that all the campuses had a stable and united outlook.

4.6.2 Merger Fears

The merger process generated assumptions, fears and insecurities among various stakeholders in the merging institutions. The concerns related to the consequences of the process both for the institutions and the employees. Such concerns included potential job losses and possible falling standards. On the part of students, there were concerns around lack of representation, insufficient accommodation and increase in fees (Makgoba, 2004: 10-11).

4.6.3 Power Struggle

The need to choose a Vice Chancellor for the new University of KwaZulu Natal resulted in a power struggle between the Vice Chancellor of the University of Durban Westville (UDW) and the Vice Chancellor of the University of Natal. The contract of the Vice Chancellor of the UDW expired prior to the merger, while the contract of the Vice Chancellor of the University of Natal expired in the same period that a new Interim Vice Chancellor was to be appointed for the new University. As a result, the power struggle hinged on who was to become the Interim Vice Chancellor of the new University. The two Vice Chancellors were

aware that if they failed to secure the position of the Interim Vice Chancellor of the new institution, they were going to be out of the race for the Vice Chancellor's position when their contracts expired. The Vice Chancellor of the University of Natal, however, was appointed as the Interim Vice Chancellor for the new University (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

4.6.4 The Merger Process

A joint merger task team (JMTT) which consisted of the executives of the two institutions was set up. This team was serviced by a planning office. The *Memorandum of Agreement* was drafted by the Joint Merger Office in line with the guidelines provided by the Department of Education. This was sent to the JMTT, which made some necessary adjustments, and sent it to the Councils of the merging institutions, which were still intact. Negotiations took place at the joint executive level. The Memorandum of Agreement which the two institutions signed in 2004 paid attention to the need to ensure that, by the merger date, the new institution functioned adequately at the level of administration, management, academic affairs and leadership. This meant that new institution had to make sure that proper organisational and management structures, according to Makgoba (2004: 4), "...were in place and that there was no leadership vacuum, that clear lines of responsibility existed during the transitional phase and that an atmosphere of stability and unity prevailed on all Campuses".

The new University of Kwa-Zulu Natal has five campuses. Since the University of Natal was larger than the University of Durban Westville, a strategic decision was taken early on in the merger that the Durban Westville Campus would be the corporate headquarters. Westville Campus was chosen as the corporate headquarters to emphasise to the University of Durban Westville that the merger process was not a takeover but an attempt to build a new institution and that the Westville Campus was important enough to be the corporate headquarters

(Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

In line with national imperatives, the overlap and duplication of both academic and non-academic programmes, which meant a waste of resources, were a strong motivation for the merger of these institutions. The Westville Campus was a fully-fledged institution doing everything in terms of academic programme that the University of Natal did, though located only nine kilometres away. Most of these programmes were expensive to run separately. According to the government this made no sense financially. Merging the historically white and historically black institutions therefore was intended to result in equity, effectiveness, efficiency in the use of resources, consolidation of existing academic programmes, development and efficient use of academic personnel and elimination of unnecessary competition (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

4.6.5 The Interim Council

The Interim Council was the first structure to be finalised. The Council was appointed for a period of six months to perform governance functions, excluding the establishment of institutional statutes. The governance functions were:

- to appoint an interim body to manage the daily functions of the institution;
- to ensure the establishment of a Council in terms of the standard institutional statute; and
- to ensure the establishment of other relevant structures that the standard institutional statute provided for (South Africa, 2003 (b): 2-3).

Once the Interim Council was appointed, a selection process was conducted for the position of the Interim Vice Chancellor. Another selection process followed

shortly for the post of the permanent Vice Chancellor (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

The Student Representative Councils (SRC) of the two institutions continued to exist separately until a new SRC was constituted by the Interim Council. In the interim period, however, the functions of the two SRCs were determined by the Interim Council (South Africa, 2003 (b): 3).

At the beginning of 2004, the University of Kwa-Zulu Natal appointed an Interim Executive Management structure to lead it through the first six months of its existence. In designing the new management structure, the University was required to consider the needs of a multi-campus institution, the cultures, expertise and diverse experiences of the citizens, and the core research, academic and service functions of the institution. The University was also required to take the merger guidelines of the Department of Education into account, which, according to Makgoba (2004: 5), "...advised that existing Executive Managers with terms of office extending beyond the merger date should continue in their positions until institutional structures had been finalised and substantive appointments made to these positions".

The new Interim Executive Committee did not have an Academic Deputy Vice Chancellor, unlike the two former institutions. In place of a single academic portfolio, four interim Executive Deans were appointed, each responsible for a cluster of faculties. As a result of the complexity and size of the new institution, a single person could not have been expected to manage and take responsibility for all of its academic affairs. Administrative and management functions such as finance and human resources were also devolved to the faculty clusters under the Executive Deans' control and authority in order to promote efficiency. In terms of the standard institutional statute, a new 273-member Senate, which is the highest governing body in the University, was constituted to ensure uninterrupted academic functioning of the University. The Senate is responsible

for every aspect of the institution's academic, teaching, learning and research activities (Makgoba, 2004: 5&7).

4.6.6 Concluding Paragraph

The University of Kwa-Zulu Natal was established as a result of the merger between the University of Natal and the University of Durban Westville. The first structure to be finalised during the merger process was the Interim Council, which was appointed for six months to perform governance functions, excluding the establishment of institutional statutes. An interim management structure was appointed at the beginning of 2004 to manage the new institution during the first six months of its existence. In designing the new management structure, the institution considered the following factors: the needs of a multi-campus institution; the cultures, expertise and diverse experiences of the citizens; and the core research, academic and service functions of the institution. The University was also required to ensure that existing Executive Managers with terms of office extending beyond the merger date performed their functions until the finalisation of institutional structures and substantive appointments made to these positions.

4.7 IMPLICATIONS OF MERGERS AND INCORPORATION FOR HIGHER EDUCATIONAL INSTITUTIONS

4.7.1 INTRODUCTION

This section considers, within the context of the main theme, the implications of the mergers and incorporation for higher educational institutions and what problems have or could result from government intervention in higher education? In other words, this section assesses the impact of government intervention on the system of higher education in South Africa through mergers and

incorporation, with specific reference to the University of Pretoria, the Tshwane University of Technology and the University of Kwa-Zulu Natal.

The reasons for the mergers and incorporation, listed in the *National Plan for Higher Education of 2001* and the *Education White Paper 3 of 1997*, among other government policies, include firstly, the need: to overcome the fragmentation that existed in the former system of higher education; secondly, to strengthen the academic nature of institutions; thirdly, to promote efficiency and effectiveness in higher education management and administration; and lastly, reduce overlap and duplication in academic programmes.

The mergers and incorporation created a number of difficulties, whose effects varied across the higher education sector. Some institutions had the mechanisms and capacities to deal with these problems, while other institutions struggled, especially with regards to how best to align differing systems and processes from the merged or incorporated institutions. The need to develop a new institutional culture and ethos out of clearly disparate communities and identities remains a key challenge for higher educational institutions.

Job security was a major worry for staff at the new institutions. One of the problems in any merger or incorporation is that an institution cannot have two people occupying the same position. Difficult decisions have to be made about who occupies a position and what happens to the other official. It is, however, noteworthy that, since the announcement of the mergers and incorporation, no one has been retrenched in any of the affected institutions, although severance packages were offered to interested members of staff.

In terms of management, the merger created a new type of institution, which requires a new approach to management. In other words, a management approach able to deal with the complexities and challenges brought about by

organisational change and development. Also, on the date of the merger, the new institutions must be ready to operate fully with systems and processes that do not collapse. Although affected institutions might still be operating with different systems, controls and mechanisms must be in place to ensure that all processes are executed in ways that are supported by the new institution.

The policy challenges that face higher educational institutions as a result of the mergers and incorporation include developing new policies and procedures for the new institutions; making sure that the policies of the historically advantaged institutions are not automatically assumed as the policies of the new institution; and ensuring that the policies developed for the new institution are in the interest of the new institution.

At the University of Pretoria, the incorporation did not have significant administrative and managerial implications, because the administrative and managerial systems of Vista Mamelodi Campus were simply aligned with existing structures at the University of Pretoria. The institutional cultures of the University of Pretoria and Vista Mamelodi Campus, however, have not yet been aligned. This is a challenge that has to be addressed before real integration is achieved, because inadequate integration of the two cultures reflects negatively on the identity of the University of Pretoria as an institution.

Differences in entry requirements and fee structures created the need to consolidate the two institutions' academic programmes and ensure that the incorporation process did not result in diminished quality of academic programmes and research. The Conditions of Service of the two institutions were aligned.

The incorporation of the financial administration of the Vista Mamelodi Campus into the financial system and procedures of the University of Pretoria meant that extra funds had to be spent on upgrading the information technology systems of

Vista Mamelodi campus and providing the computer workstations needed for providing decentralised financial operations and linking up with the University of Pretoria's mainframe computer. This did not have negative impact on the finances of the University of Pretoria, however, because government provided extra funds for the incorporation. However, the fees of pipeline students were adjusted to reflect the current fee of all modules offered by the Mamelodi Campus, since it was not possible to charge the Mamelodi students similar fees as University of Pretoria students.

The incorporation process resulted in the upgrading of facilities at the Mamelodi Campus. It also resulted in the challenge of transferring necessary data from Vista University's Integrated Tertiary System (ITS) in a form compatible with the requirements of the University of Pretoria's systems. The incorporation process also narrowed the gap in academic standard by improving the study materials available at the Mamelodi Campus, ensuring better academic support for students, improving the Mamelodi Campus library, and establishing an open computer laboratory, and a 24 hour study area.

A major implication of the incorporation is the announcement by the management of the University of Pretoria in 2006 that all degree programmes offered at the campus will be phased out from 2008. The Vice Chancellor of the University of Pretoria also announced that the Mamelodi campus would be used as an academic service-learning centre, for community-based activities, and as a development centre for mathematics, science and accounting teachers (Daily Sun, 2006: 11).

Tshwane University of Technology (TUT) resulted from the merger between Technikon Pretoria, Technikon North West (TNW) and Technikon Northern Gauteng (TNG)). The merger process involved consolidating the accounts of the three institutions into a single account. The funds which TNG and TNW received from the government for the purposes of redressing past imbalances were

abolished in the new process. The new University may however apply to the government for its funding needs.

The merger process resulted in excess staff which the new University did not need, because as a result of the abolition of duplicated departments and faculties, fewer staff members are needed to perform the functions of the University. Employees' salaries were harmonised, with staff members on the same grade earning similar salaries. This led to an increase of about 12% in the salaries of staff members, resulting in about 71% of the University's income being spent on salaries.

The elimination of programme duplication created tension among students who, as a result, have to travel from their satellite campuses to the main campus to attend some lectures only offered there. The teaching methods of the three technikons were also different, and a single teaching methodology had to be negotiated for the newly merged institution.

Prior to the merger process, the three institutions had different registration processes and systems, and different information technology systems. As a result, the organisational, academic and fee structures of all three institutions could not be loaded onto the new IT system. The process of integrating these systems and servers and merging their databases and statistical information was costly, although the government made provisions for many of the costs resulting from the merger process.

The new University re-examined the policies of its three parent institutions, and developed new policies. The cultures of the three institutions were also different and could not simply be harmonised or integrated. A new mission, vision and values were developed, in which process similarities were highlighted and developed into a new statement of purpose.

Student residences are being upgraded to ensure that all the buildings are habitable, comply with acceptable health and safety regulations and provide adequate facilities for the disabled.

The merger process at the University of Kwa-Zulu Natal (UKZN) did not impact negatively on the University's financial position. However, students of the two institutions that constitute UKZN paid different fees prior to the merger process. Students are currently charged the higher of the two fees. Pipeline students are, however, charged the old fees until they graduate or leave the institution. Prior to the merger, residences also had different fee structures, and it was not possible to apply similar fees to them because firstly the residences in the Westville Campus were in a state of disrepair, and secondly the students' financial backgrounds made this difficult. The University of Kwa-Zulu Natal agreed to upgrade these residences and to provide transport facilities for students. These constituted another huge merger cost, for which the government, however, made provisions.

The merger process created uncertainty among staff members who feared that they might lose their jobs. The differences in salaries and conditions of service at the two institutions were harmonised. The University of Kwa-Zulu Natal did not experience the kinds of problems that the other institutions experienced in having to accommodate existing executives. Many of the management positions were vacant. Therefore, it was easy to advertise and fill them.

The new University confronted the challenge of eradicating programme duplication in its five campuses. This meant the consolidation of certain programmes at specific campuses. Duplicated faculties and divisions such as finance were restructured into single divisions. The academic programmes of the merged institutions were restructured in order to offer similar courses and modules across the campuses.

The merger process led to the creation of a college model at the University of Kwa-Zulu Natal, in which similar faculties were grouped into structures known as colleges, headed by Deputy Vice Chancellors. Academic coordination activities were also moved from the Registrar's office to the planning office.

4.7.2 UNIVERSITY OF PRETORIA

4.7.2.1 Introductory Paragraph

As a result of the incorporation process, Vista Mamelodi Campus ceased to exist as a subdivision of Vista University, and all the assets and liabilities of Vista Mamelodi campus were transferred to the University of Pretoria. Since the administrative and managerial systems of Vista Mamelodi Campus were simply aligned with the existing structures at the University of Pretoria the incorporation did not have significant administrative and managerial effects on the University of Pretoria.

4.7.2.2 Implications of the Incorporation of Mamelodi Campus of Vista University into the University of Pretoria

Vista Mamelodi Campus ceased to exist as a subdivision of Vista University on the date of its incorporation into the University of Pretoria. Vista Mamelodi campus falls under the University of Pretoria's governance structures as provided for by the *Higher Education Act*, 1997 (Act 101 of 1997), section 24(1). Although incorporation may seem simpler than a merger, its difficulties, though less disruptive and intensive are yet similar to those of a merger. The two processes "...have to accommodate certain transitional arrangements to ensure a smooth and undisruptive change for students, staff and all the associated support

functions” (University of Pretoria, 2003(e): 20). These will be examined in the following section.

As a result of the incorporation, in which a larger institution took over a smaller institution, the University of Pretoria retained its Council, management structure and name. The Vista Council was not taken over by the University of Pretoria because only one campus of the Vista University was incorporated into the University of Pretoria. Most of the Mamelodi Campus staff were redeployed into the existing structure at the University of Pretoria (Interview, Executive Assistant, Office of the Vice Principal, University of Pretoria, 14 April 2005).

a. Administrative and Managerial Implications

The University of Pretoria and Vista University had different systems. For instance, the administrative, faculty-management and asset-management systems were different, and different contractors were hired for the maintenance of university property (Interview, Executive Assistant, Office of the Vice Principal, University of Pretoria, 14 April 2005).

The University of Pretoria integrated and aligned the management systems, policies and administrative procedures of Vista Mamelodi Campus by sharing the existing systems, security and asset management of the main campus with the Mamelodi Campus, including its cleaning and gardening contractors. The facility and service staff at Mamelodi Campus were slotted into the University of Pretoria's line management (Interview, Executive Assistant, Office of the Vice Principal, University of Pretoria, 14 April 2005).

The incorporation of the Mamelodi Campus did not have substantial administrative and organisational effects for the University of Pretoria since the incorporation simply aligned the existing systems and managerial models. Most

campus services, including maintenance at the Mamelodi Campus, had been privatised prior to the date of incorporation. It was therefore easy to extend the existing University of Pretoria contracts for such services to the Mamelodi Campus whose contracts had already expired and were managed on a monthly basis. The Mamelodi Campus of Vista University is "...simply treated as another campus of the University of Pretoria, similar to the Groenkloof campus" (University of Pretoria, 2003(e): 57). The same management models operational at the Prinshoff and Onderstepoort campuses were applied to the Mamelodi Campus. Standard administrative processes and organisational arrangements of the decentralised Pretoria University system already in place were applied to the Mamelodi Campus (Interview, Executive Assistant, Office of the Vice Principal, University of Pretoria, 14 April 2005).

b. Institutional Culture

The two institutions had different institutional cultures, which made the process of incorporation difficult. The University of Pretoria is an extremely well managed institution with a highly managerial approach, while Vista was more relaxed. At Vista there was a strong bottom-up culture in which students had a large say in the institution, while the executive has always been in control at the University of Pretoria. Furthermore, taking historical influences into account, the University of Pretoria is a historically white institution with Afrikaans as a prominent language, while Vista was a typically black institution without any white student, and with English as the mode of communication (Interview, Vice Principal, University of Pretoria, 29 April, 2005).

The Vice Principal of the University of Pretoria (Interview, 29 April 2005) concedes that a substantial amount of work needs to be done in terms of effecting real integration, which is one of the objectives set by the government. The institution has not aligned its institutional cultures or developed programmes to address differences. This became obvious in 2005 when much student unrest

originated from the Mamelodi Campus. That was a warning that there are certain aspects which the University of Pretoria has not been able to address or integrate. It is pertinent to analyse the differences in the cultures of the two institutions, which includes getting to know the attitudes of the staff and students.

The administrative and managerial systems at the University of Pretoria function well, and good managerial structures are in place, because a substantial amount of work has been done in this area within the short period of the incorporation (Interview, Executive Assistant, Office of the Vice Principal, University of Pretoria, 14 April 2005).

c. Academic Planning, Research and Quality Assurance

One of the challenges of the incorporation process is consolidating the academic programmes that the two institutions offered. Difficulties include different entry requirements, differences in fee structures, the different emphases that the two institutions placed on similar qualifications through composition of curricula, and different rules and regulations. It was, therefore, necessary to manage these differences and effect transition to a unified qualification system in order to ensure stability during the transition process. It was also necessary to ensure that the incorporation process did not diminish the quality of programmes and research. To this end, the University of Pretoria has ensured that "...the processes and mechanisms it has in place to ensure all round quality is extended to the academic planning processes of the Mamelodi programmes that are presently being offered and those that will be continued in 2004" and in the years ahead (University of Pretoria, 2003(e): 21).

Vista Mamelodi Campus was obliged by the government to phase out its existing programmes. This presented difficulties related to logistical and quality issues. The academic programmes at Mamelodi Campus were rationalised as they

contained a large number of permutations. For instance, the BCom degree had about ten different options, which were not all economically sustainable. Academic and course materials were changed and upgraded as their standards were low. The University of Pretoria enforced its academic standards on the Mamelodi Campus. The Deans agreed on 22 April 2004 that resources at the Mamelodi Campus should be channelled towards "...a limited number of programmes consisting of core subjects and limited electives. The following programmes were decided upon and detailed plans drawn by each faculty involved: BA (general), BAdmin, BCom (general), BSc" (De Beer, 2004: 6).

In the five faculties for which students were enrolled in 2003, there were 32 active undergraduate programmes and 15 active postgraduate programmes. It was decided that students would not be enrolled for the following seven of the 32 undergraduate programmes: BA (Ed), BCom (International economics), BCom (Public Administration and Economics), BSc (Education), BCom (Monetary Economics), BCom (Education), BCom (three-year programme). The decision was taken based on the previous record of few enrolments in the programmes, which rendered them financially unsustainable and unviable. All undergraduate and postgraduate students enrolled at the Mamelodi Campus of Vista University were reregistered as University of Pretoria students in 2004 but were indicated as students following the Mamelodi curriculum and programme. Students who graduated would "be issued with the University of Pretoria certificate with an inscription that the students followed the Mamelodi programme and curriculum" (University of Pretoria, 2003 (c): 3,7&8).

d. Human Resources and Conditions of Service

The University of Pretoria did not have space for some excess staff from the Mamelodi Campus. Vista offered its staff attractive voluntary severance packages prior to the incorporation. The offer, which a number of employees accepted, was, however, only available for a short period. By the time it closed,

some employees still wanted those packages. The University of Pretoria's severance package was less attractive than the Vista package and involved a smaller amount. The University of Pretoria, however, informed those who still wanted the packages to reconsider their requests as all academic staff of Mamelodi Campus were needed in the post-incorporation period (Interview, Executive Assistant, Office of the Vice Principal, University of Pretoria, 14 April 2005).

A number of academic staff will have to travel from the main campus to Mamelodi Campus for teaching purposes. Arrangements have been made to reimburse them, but many of them are not happy with the extra burden of travelling to Mamelodi, or of being involved in the Mamelodi processes (Interview, Vice Principal, University of Pretoria, 29 April 2005).

The alignment of conditions of service was complicated. There were major differences in the conditions of service of the two institutions. The management of the University of Pretoria discovered in the process of alignment that Vista Mamelodi Campus's conditions of service were more beneficial for employees than were those offered at the University of Pretoria in terms of leave days, support to children, care, availability to students, and contribution to retirement fund. University of Pretoria considered such employee benefits as not economically sustainable (Interview, Executive Assistant, Office of the Vice Principal, University of Pretoria, 14 April 2005).

The human resources section at the University of Pretoria renegotiated some of these conditions of service in order to align them with conditions at the University of Pretoria, and get them in line with the provisions of the *Higher Education Act* (section 23), which states that on the date of merger, all staff must be absorbed into the new institution with their existing salaries, benefit structures and conditions of service. However, the Act further provides that on the merger date,

these institutions may settle for similar benefits and conditions of service for all employees of the new institution (University of Pretoria, 2003(e): 51).

e. Financial Management and Administration

It is difficult to isolate financial management from other aspects of administration because it overlaps with other areas, such as human resource budgets, subsidy through the government formula, and tuition fees. From 1 January 2004, the financial administration of the Mamelodi Campus was incorporated into the financial system and procedures of the University of Pretoria. The implication of this exercise was that funds would be needed to upgrade the information technology systems of Mamelodi campus, to provide the computer workstations needed for providing decentralised financial operations and linking up with the mainframe computer of the University of Pretoria (University of Pretoria, 2003(e): 23 & 44).

f. Subsidies, Tuition Fees and Student Accounts

The incorporation process did not impact negatively on the subsidy that the University of Pretoria received from the government, because University of Pretoria received another subsidy on behalf of the Mamelodi Campus. The University of Pretoria, though, received a lower subsidy than in previous years. This was, however, due to a change in the subsidy formula. In the past, universities received subsidy for any full-time registered student. That is no longer the basis for subsidy allocation. Universities no longer get a fixed amount of subsidy for each student. Rather, the Minister of Education decides on how much is allocated for various aspects of university administration and management. In other words, universities still receive government subsidy for research and teaching, but no longer by means of a simple calculation. The Minister has the discretion to decide how much to allocate to universities and this makes it extremely difficult for universities to budget in advance because they do

not know how much money they will receive. The subsidy universities get is based on what they received the previous year, allocated on the basis of statistics provided by each institution (Interview, Vice Principal, University of Pretoria, 29 April 2005).

The incorporation process, according to the Vice Principal (University of Pretoria, 29 April 2005), did not have negative financial impact on the University, because most students continued to honour their financial obligations to the University. It is hoped that the number of students at the Mamelodi Campus will continue to be sufficient to ensure its sustainability.

The management of students' accounts at the Mamelodi Campus was taken over by the University of Pretoria. However, the Mamelodi Campus retains a branch of student accounts, which is staffed by Mamelodi Campus personnel (University of Pretoria, 2003 (c): 20). Furthermore, the Study Finance Section on the central campus makes the final decisions on the granting of bursaries and assistance to students (University of Pretoria, 2003 (d): 12).

Although the University of Pretoria should have the same tuition fees for all its students regardless of at which campus they study, it is remembered that most of the students at the Mamelodi Campus come from less privileged backgrounds. As a result, the structure of the tuition fees for the Mamelodi Campus pipeline students was calculated according to the tuition fee model of the University of Pretoria, but adjusted to reflect the current fee of all modules offered by the Mamelodi Campus of Vista University. Also, an inflation adjustment similar to that of the University of Pretoria's module is included in the calculation (University of Pretoria, 2003 (c): 20).

g. Maintenance of Facilities

There were backlogs in the maintenance of facilities at the Mamelodi Campus, which presented security risks for staff and students. The facilities were considered by a number of people in the Mamelodi community as community property. As a result, the University of Pretoria had to secure these facilities by setting up a perimeter fence, controlling access, and setting up standards comparable to those at the University of Pretoria (Interview, Vice Principal, University of Pretoria, 29 April 2005).

h. Information and Communication Technology

The Information Technology (IT) infrastructure at the Mamelodi Campus of Vista University was functioning well and compatible with the University of Pretoria's IT infrastructure, although not at the same capacity or level of performance. The University of Pretoria uses its own in-house mainframe-based systems while the administrative functions of Vista University, which includes human resources, student administration and finance, were operated through the Integrated Tertiary System (ITS). Relevant data from the Vista University's database were transferred to the University of Pretoria's system. The challenge that resulted, therefore, was on how "to transfer the necessary data from Vista University's ITS-system in such a way as to make it compatible with the requirements of the University of Pretoria's systems" (University of Pretoria, 2003(e): 60 & 22).

i. Academic Standard

The gap in academic standard has been narrowed because a great effort has been made to supply academic support to Mamelodi campus students since early 2005. The University of Pretoria endeavoured to create a better academic environment in which students had a better chance to succeed academically. Study materials and study guides for pipeline students were improved. Major

work was carried out in the Mamelodi Campus library; open computer laboratories which were not available previously were set up. A 24-hour study area now exists which is of immense benefit to many of the students who live in the backyards of houses without the benefit of electricity with which to study (Interview, Vice Principal, University of Pretoria, 29 April 2005).

The programmes at the Mamelodi Campus have been matched with available facilities. If students wish to study a course that requires well-equipped laboratories, they are advised to apply to the main campus where such facilities are available. However, the facilities at the Mamelodi Campus are sufficient for the programmes on offer there (Interview, Executive Assistant, Office of the Vice Principal, University of Pretoria, 14 April 2005).

A Mamelodi Campus student does not have to visit the main campus on a regular basis since all courses on offer at Mamelodi Campus are available at that campus, while all required reading materials are also available (and should be available) in the Mamelodi Campus library. The fact, however, is that Mamelodi students are University of Pretoria students in the full sense of the word. Therefore, if a Mamelodi Campus student wants to make use of the main campus library, which is more equipped than the Mamelodi Campus library, that student has the right to do so. This, however, creates transportation problem, which resulted in protest action by some Mamelodi students in the early part of 2005. In reaction to that protest action, the University of Pretoria's management established transportation means for Mamelodi students to commute between the two campuses (Interview, Vice Principal, University of Pretoria, 29 April 2005).

4.7.2.3 Concluding Paragraph

As a result of the incorporation process, Vista Mamelodi Campus no longer exists as an entity. The incorporation process has, however, had both positive

and negative implications. The positive implications include that it narrowed the gap in academic standards between the two institutions as a result of improvements to study materials at the Mamelodi Campus, better academic support for students, improvements to the Mamelodi campus library, and establishment of an open computer laboratory and a 24 hour study area. The negative implications include that the institutional cultures of University of Pretoria and Vista Mamelodi Campus have not been aligned. This is a challenge that has to be adequately addressed in order to effect real integration.

The incorporation did not have significant administrative and managerial impact on the University of Pretoria, because the administrative and managerial systems of Vista Mamelodi Campus were well aligned with the existing structures at the University of Pretoria.

4.7.3 TSHWANE UNIVERSITY OF TECHNOLOGY (TUT)

4.7.3.1 Introductory Paragraph

Tshwane University of Technology (TUT) resulted from the merger between Technikon Pretoria, Technikon North West (TNW) and Technikon Northern Gauteng (TNG)). This merger process involved consolidating the accounts of the three institutions into a single account. The funds which TNG and TNW received from the government for the purposes of redressing past imbalances were abolished in the new process. The new university may however apply to the government for its funding needs.

The merger process resulted in excess staff which the new university did not need, because the abolition of duplicated departments and faculties meant that fewer staff members are needed to perform the functions of the university. Employees' salaries were harmonised, with staff members of the same grade

earning similar salaries. This led to an average increase of about 12% in the salaries of staff members; about 71% of the university's income is spent on salaries.

Elimination of programme duplication created tension among students who, as a result, have to travel from their satellite campuses to the main campus to attend certain lectures. The teaching methods of the three technikons were also different, and a single teaching methodology had to be negotiated for the newly merged institutions.

Prior to the merger process, the three institutions had different registration processes and systems and different information technology systems. As a result, organisational, academic and fee structures could not be loaded onto the new consolidated information technology system. The process of integrating these systems and servers and merging their databases and statistical information was costly, although the government made provisions for many of the costs resulting from the merger process.

The policies of the three institutions were reexamined to formulate policies acceptable to all stakeholders in the new university. The policies of the former Technikon Pretoria, which were in Afrikaans, were translated into English, since black students constitute about 70% of students in the new university.

One positive impact of the merger is the upgrading of student residences in the former Technikon Northern Gauteng and Technikon North West, and their improved maintenance. All the buildings are now habitable, comply with acceptable health and safety standards and have adequate facilities for the disabled.

The cultures of the three institutions were different and could not be easily harmonised or integrated. These institutions had different management styles

and different missions, visions and values. For instance, Technikon Pretoria had a top-down management style, which was hierarchical in nature, while TNG and TNW had a more bottom up approach, which was consultative and participatory. The new university had to develop a new mission, vision and values, in the process of which the technikons realised their commonalities, which enabled them to develop a new statement of purpose.

4.7.3.2 Implications of the Merger between Pretoria Technikon, Technikon Northern Gauteng and Technikon North West

The merger process created numerous challenges for the Tshwane University of Technology (TUT).

a. Financial Implication

The biggest problem that the Tshwane University of Technology confronted was finance, especially in terms of process, procedure and fee structure. The new institution needed to have a single bank account. Although the three institutions' bank accounts were consolidated into a single account, it was necessary for them to operate their accounts separately as income accounts in the interim period to enable students and others to make deposits as in the past until a permanent structure was in place. The subsidies for 2004/5 were received in a single bank account (Tshwane University of technology, undated (b): 12). To change to one account system did not require much actual work, but forming a single bank account was a daunting task which required consolidation of budgets (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

Funding arrangements also changed. Prior to the merger, Technikon Northern Gauteng (TNG) received about R10 Million every year from the national

government for the purpose of redressing the imbalances of the past. This money was used for bursaries, scholarships and upgrading of facilities. Technikon Pretoria did not get such benefit as it was a previously advantaged institution. With the merger process, however, these arrangements no longer applied since none of these institutions is now considered advantaged or disadvantaged (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

b. Severance Packages

The merger process resulted in excess staff not needed by the newly merged institution. Voluntary severance packages were, therefore, offered to excess staff and to any staff members who wanted to leave the services of the institution. Two weeks pay was provided for every year of service. A staff member who was not needed, who refused the alternative offer or refused to leave the institution was redeployed to an available position if possible, or retrenched (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

c. Harmonisation of Salaries and Conditions of Service

The salaries of the employees of the former institutions were different. For instance, a cleaner at the Soshanguve Campus earned a different salary from his/her counterpart at Technikon Pretoria. This caused unhappiness among those earning less than their counterparts from the other institutions. The salaries, therefore, had to be harmonised. All staff currently earn equal salaries. The former Vice Chancellors who became deputy Vice Chancellors after the merger, however, still earn the same salaries they earned as Vice Chancellors. The salaries of staff members went up by an average of 12% as a result. About 71% of the institution's income currently goes to salaries, while the national government only recommends between 39% and 62% of income for salaries

(Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

d. Fee Structures

Prior to the merger, students at the three institutions paid different fees. The idea of charging all students similar fees was not accepted by staff and students because these students come from different economic backgrounds. This problem was countered with the introduction of “phased-in fees”, whereby a five-year period is reserved for the equalisation of fees for the three merged institutions (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

e. Financial Growth Strategy

To ensure the growth of research and development activities, especially within focus and niche areas, the Tshwane University of Technology will have to exploit various funding opportunities and strategies. The institution’s long-term sustainability strategy also hinges on a combination of alternative funding streams, including research-funding bodies, subsidies for research and development output, third-stream funding possibilities and student fees. The third-stream income opportunities includes the Innovation Fund, Research and Development Projects, strategic business development projects and non-state subsidised projects, and government initiatives such as Tshumisano and Godisa projects (Tshwane University of Technology, 2004(a): 30 & 73).

Third stream income for the university is sourced by the TUT Foundation in efforts to solve the various problems confronting the institution. This is done in partnership with relevant teaching and support service units of the institution. Donor funding comes from both local and international sources and enormous amounts of funding come from international grant makers. Many of the grants are

project-orientated while projects that match the interests and objectives of corporations receive more support (Tshwane University of Technology, 2004(a): 73). Substantial grants also come from many local foundations and grant-making trusts, as well as South African government-sponsored agencies, such as the Umsobomvu Youth Fund, the National Development Agency (NDA), the Tourism Poverty Relief Programme, the National Business Initiative, and the Job Creation Trust (Tshwane University of Technology, 2004(a): 73).

f. Proposed Faculty Structure for 2005

The number of faculties in the previous institution was reduced from 15 to 11 for the interim phase, and then permanently to 10 faculties. In line with proposed structures, the faculties have been clustered into two groups, namely:

- a) Science, Engineering and Technology (SET) and
- b) Social and Management Sciences (SMS) (TUT, 2004(a): 60).

In the new structure, special emphasis is placed on organisational development and employment equity. Responsibility for all staff development initiatives falls on the human resources division. A new strategic unit known as Business Development is established to develop new income-generating initiatives (Tshwane University of Technology, 2004(a): 60).

g. Programme Duplication

One of the objectives of the merger process is to eliminate or rationalise programme duplication. Duplicated programmes on the three delivery sites had to be rationalised. Technikon Northern Gauteng, however, was not happy at the idea of eliminating some of its programmes which were also offered at the main campus, because this meant that students would have to travel to Pretoria from Garankwa to attend these courses and possibly move to residences in Pretoria

which are more expensive (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

These institutions had different teaching methods and different methods for compiling academic programmes and study guides. TNG for instance utilised the Problem Learning Method (PBL), while Technikon Pretoria did not. These institutions had to negotiate a single teaching methodology. Variations in the compilation of examination papers created another problem. Some of the subjects were offered as semester courses and others as year courses. Agreements have, however, been reached on equalised programmes at all levels. During 2004, all administrative processes, structures and procedures pertaining to academic issues were integrated. This involved conversion and alignment of subject code structures and qualification, alignment of new faculties, departments and examination criteria and integration of all prerequisite and first year subjects. All programmes were integrated as much as possible during 2004. Those not integrated in 2004 were left for integration in 2005 (Tshwane University of Technology, 2004(a): 70).

The following services were also integrated:

- design and publication services, which involves design, printing, typing and copying;
- transport services, which have to do with bus transport, fleet vehicles, breakdown recovery, and car washing;
- campus protection services, which involve electronic support services, traffic control, investigations, fire prevention, guarding, ID cards and parking control; and
- facility management services, which involve centralised venue, assigning cleaning services, centralised time-tabling, booking, support team services, rental services and audio-visual services (Tshwane University of Technology, 2004(a): 62-63).

h. Technological Implication

The merger process created a need for a new system that could merge the databases and statistical information of the three institutions. For instance, the three institutions had different registration processes and systems which needed to be merged into one process / system. The data transfer process was complicated as it entailed stabilising and verifying data, as well as linking data to business processes (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

The former TNG and TNW had less sophisticated versions of the information technology system (ITS) used by Technikon Pretoria. This meant that their organisational, academic and fee structures could not simply be loaded onto the ITS. These systems as well as the library servers had to be integrated, with immense financial implications. The cost of the ITS server was R12million. However, the government provided for many of the costs resulting from the merger process (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005). The merger guideline (South Africa 2003(a): 19), for instance, provides that in cases where there are financial impediments to mergers, the Ministry is prepared to give financial support to affected institutions.

In March 2004, a project was initiated to merge the databases of the three institutions into a single database and to develop integrated business processes for the new institution. A steering committee, workgroups and project team were established to execute this project. Staff members from the three institutions constituted the work groups and project teams and their function was to compile new code structure for TUT and to draw up a new integrated business process. They also successfully implemented and installed hardware and software. The following were the envisaged outcomes of the processes:

- to successfully implement and install hardware and software as well as establish a test and production environment;
- to successfully implement new integrated business processes for the new institution;
- to convert the code structures of the three campuses into one code structure;
- to consolidate the three campuses local (customised) software into a single set of local software for the new institution;
- to merge the three campuses data into one database for the new institution to ensure data integrity and consistency; and
- to integrate peripheral systems (Tshwane University of Technology, 2005(b): 12).

The Tshwane University of Technology's strategy was developed and structured to be able to support and take part in South Africa's technology transfer (TT), which includes the transfer of technology and knowledge between higher education, society and industry, support for the development of knowledge and technology-intensive enterprises and the development of innovation hubs and incubators. The TT strategy "...builds onto the research and development strategy, enables the higher education system to participate fully through revised legislation, financial incentives, and support schemes" (Tshwane University of Technology, 2004(b): 30).

i. Policy Variation and Academic Language Policy

Since organisational policies are applicable to specific organisations and their stakeholders, the application of the policy of the former Pretoria Technikon to TNG and TNW proved difficult, especially since their environments were not the same. This meant that all the policies had to be re-examined with a view to developing a common policy for all the newly merged institutions (Interview,

Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

Afrikaans was the language of communication at the former Technikon Pretoria and the majority of classes there were held in Afrikaans. However, with the merger process which raised the number of black students to 70% of the student population and since many of the new students do not understand Afrikaans, and as a result, refuse to attend many of the Afrikaans classes, the institution had to formulate a new language policy. It was agreed that two examination papers, one in each language, would be set, both to be written on the same day. Many of the previous policies and regulatory frameworks were in Afrikaans and had to be translated into English (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

j. Maintenance, Management and Upgrading of Facilities

The residences in Soshanguve and Garankwa campuses are being upgraded because they were in a state of disrepair, which led to students complaining that they were living in bad accommodation but paying the same residence fees as Technikon Pretoria students. The new institution also designed a maintenance plan to ensure that all the new institution's buildings were habitable and met acceptable health and safety standards within five years, and provided adequate facilities for the disabled. In order to prevent deferred maintenance, the buildings would be maintained in line with a seven-year cycle in the same sequence in which they were upgraded. A sum of R63million was set aside to implement a phased-in maintenance of these residences and facilities. As a matter of urgency, the new institution within its first three years planned to upgrade and carry out maintenance plan on those buildings marked for immediate attention, failing which they might not be repairable or upgradable and would have to be demolished (Tshwane University of Technology, 2004(b): 60).

The institution, furthermore, committed itself through equity and access, to overcome the legacies of the past. It therefore prohibited within the residence environment any form of discrimination on the basis of race, gender, nationality, or religious or sexual orientation. It also promotes and encourages a culture of mutual respect between staff and residents regarding their duties, obligations and respective needs (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

k. Challenges with Student Development and Support

Students resisted the merger as they were not happy with the new centralised structure, which they felt marginalized many of them and reduced their institutions from fully fledged institutions to satellite campuses, particularly the campuses of the former Technikon Pretoria in Witbank, Polokwane and Nelspruit (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

The merger process posed unique challenges with regards to student developments and support. These challenges resulted from the major differences in how these services were provided and managed within the three institutions. At the time of official integration in January 2004, for instance, there was no single integrated selection policy in place even though the next intake was in process. This led to difficulties as a result of variations in strategy used by academic departments across the various sites. Enormous pressure resulted from the attempt to provide and extend services. It also resulted in logistical problems, which were resolved with the commitment of staff members who travelled daily to the three campuses to ensure that one central office coordinated the administration processes. The extension of services had financial implications, which resulted from travelling expenses, overtime and materials (Tshwane University of Technology, 2005(b): 9).

Also, the three institutions had different levels of service provision. To compound the problem, the merger guidelines did not list the integration of these services as a high priority. As a result, these services were not adequately managed during the pre-merger phase. Serious difficulties were created by the integration of academic programmes and departments in the provision of equal services across the six learning sites in student development and support. For instance, although all sites required the implementation of student support and development programmes such as reading skills development, language preference and life-skills training, as part of the curriculum, they were yet to be provided at the beginning of 2005 (Tshwane University of Technology, 2005(b): 10).

The lack of integration in student development and support services, such as admission and placement, resulted in serious pressures in the provision of equal services with non-integrated units and differentiated management and funding at the different learning sites. It was, however, necessary to provide and support all required services in both the supportive and developmental areas as academic departments moved ahead with integration. Failure to provide these services could have had negative consequences on academic integration in some aspects and on the future functions and position of the student support and development section (Tshwane University of Technology, 2005(b): 10).

TUT moved to improve students' services by implementing the following measures:

- a recruitment strategy that ensures the attraction of applicants who meet and exceed the institutions minimum admission requirements;
- a sophisticated contact centre with information on all the institution's activities;
- a technology-driven user-friendly application, selection and registration service;

- a legal services unit and secretariat which provide the executive management of the institution with full support service; and
- a one-stop registration service at all the institution's delivery sites (Tshwane University of Technology, 2004(b): 70).

Three health centres located at the three sites provide primary health service to staff and students, through community outreach programmes, counselling and crisis intervention. The principles of primary health care, which entails health management, assessment, support and referral, will guide the practice of patient-centred medicine (Tshwane University of Technology, 2004(b): 70).

I. Cultural Audit of the Three Merged Institutions

The audit process looked at the identities of the three institutions, their mode of operation, what they have in common and their strengths and weaknesses. The results revealed that the management styles of the three institutions were very different. Technikon Northern Gauteng (TNG) and Technikon North West (TNW) had a bottom-up approach, while Technikon Pretoria had a top-down management style. Another challenge to the integration of the three institutions is their differing missions, visions and values. Rather than trying to harmonise them, therefore, a new culture would have to be created. The institutions came together as a team to agree on this new culture. In the process of developing a new mission, vision and values, the institutions discovered that they did actually share many similarities. As a result it was easier than expected for them to formulate a new statement of purpose, especially as they were all technikon-type institutions, with the same priorities dictated by the government (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005).

The following section looks at the outcomes of the cultural analysis process within the three institutions being considered.

a) Technikon North West

i) Organisational Structure

The institution's organisational structure was bureaucratic in nature with centralised decision-making in which top management approved decisions before they were implemented. This resulted in rigidity and minimal innovation. Top management was not close to lower structures, which slowed decision making and the flow of information. The institution was very hierarchical and emphasised adhering to established administrative procedures and policies. As a result of the culture of standardization and control, employees had ample space for self-direction and initiative. Performance appraisal of employees was strictly based on the functions they were hired to perform. The environment was however relatively stable and informal structures were not tolerated (Tshwane University of Technology, 2004(c): 4).

ii) Leadership and Management

Management tended to feel threatened by their subordinates and lower staff members lacked confidence in management abilities. Policies were seen as inconsistently implemented or sometimes applied piecemeal for the benefit of a situation or an individual. Leadership was, however, seen as fairly approachable (Tshwane University of Technology, 2004(c): 4).

iii) Communication

Communication was seen as poor, as it was not frequent and mainly used in a top-down approach; management passed information to staff but feedback was not sought by management. This lack of a formal means of communication caused a tendency to the circulation of half-truths, gossip and rumours. Staff members felt left out as a result (Tshwane University of Technology, 2004(c): 5).

iv) Organisational Goal Integration

Well drafted strategies were not adequately implemented and most staff members viewed the mission statement as unachievable empty words (Tshwane University of Technology, 2004(b): 10).

v) Decision Making and Employee Participation

The majority of the respondents claimed that there was a lack of consistency in decision-making and that most decisions were not made by managers. Management however, insisted that all decisions had to go through it. This trend led to frustration on the part of those affected as well as loss of trust in management/leadership (Tshwane University of Technology, 2004(b): 10).

b) Pretoria Technikon

i) Organisational Structure

The organisational structure was typically bureaucratic in nature. Decision-making power was highly decentralised, since line managers could make decisions, but top management had to be consulted. Overall, therefore, there was a general atmosphere of direction from top management. Reporting lines were hierarchical, but maintained a high degree of innovation and flexibility. Job descriptions were well defined (Tshwane University of Technology, 2004(b): 9).

ii) Leadership and Management

Managers were seen by staff members as lacking the requisite managerial qualifications and skills, and their appointment to the managerial levels as often resulting from nepotism or having moved up the ranks. Managers were seen by many staff members as not able to manage diversity among employees, and

academics were valued more than the support staff. Leadership was fairly approachable, though management styles varied across the various departments; some were very autocratic and rigid and others were flexible. The centralisation of power meant less adherence to the various established policies and procedures (Tshwane University of Technology, 2004(b): 9).

iii) Organisational Goal Integration

Many employees felt alienated as they saw themselves as not part of the merger process. The mission statement was seen by most lower level staff as only words which were not communicated, while strategic planning was not participatory enough (Tshwane University of technology, 2004(b): 9).

iv) Decision Making and Employee Participation

Decision making lacked widespread consultation and participation by lower level employees. Managers' decisions remained hierarchical, as a result. Although stakeholders were consulted on policy matters, their comments and contributions were not always considered when final decisions were made, though popular decisions were sometimes made. Most decision-making staff were male and white (Tshwane University of Technology, 2004(b): 9).

v) Communication

Communication was generally considered to be poor, inefficient and driven from the top. Some managers felt that news only filtered to them when it was no longer newsworthy, that important information was getting to people through friends and associates rather than the official channels and this aggravated rumours and half truths. Most information was disseminated electronically. This meant that staff members without electronic means of communication or who could not read or write were cut out of the information flow. Management's

position on this was that it was the responsibility of the unions to communicate with their constituency (Tshwane University of Technology, 2004(b): 9).

c) Technikon Northern Gauteng (TNG)

i) Organisational Structure

The organisational structure was bureaucratic in nature with decision-making highly centralised; line managers avoided making critical decisions and instead left them to senior management. Hierarchical ordering / authority was promoted and directions came from the top. Although non-compliance was sometimes condoned, adherence to established administrative policies and procedures was emphasised. Jobs were well defined and performance appraisal based on the work an employee was hired to perform. The environment was relatively stable and employees established set ways of doing things (Tshwane University of Technology, 2004(b): 4).

ii) Leadership and Management

The abilities of some members of management were not appreciated by many staff members, who felt that these managers were neither qualified for their positions nor possessed the requisite managerial competence. Leadership was, however, seen as approachable and democratic, which made consultation with various stakeholders possible. The implementation of various policies and procedures was problematic, since some of them were considered obsolete (Tshwane University of Technology, 2004(b): 9).

iii) Communication

The majority of employees agreed that up-to-date information was widely shared among staff. Communication was largely from the top, but the Deputy Vice

Chancellor often sought feedback from the staff (Tshwane University of Technology, 2004(b): 9).

iv) Organisational Goal Integration

There was constant communication of the institution's mission statement. Strategic planning involved all levels of staff and the business objectives were constantly communicated (Tshwane University of Technology, 2004(b): 9).

v) Decision Making and Employee Participation

Leaders and managers were seen as not practising what they preached. Decision making was slow and problematic while many managers refused to take decisions that could make them unpopular (Tshwane University of Technology, 2004(b): 10).

4.7.3.3 Concluding Remark

The merger process had an impact on student development and support. When the three institutions were integrated in January 2004, there was no single integrated selection policy in place, even though the next intake was already in process. This led to difficulties resulting from the variations in strategy within academic departments across the three sites. Enormous pressure on staff resulted from the attempt to provide and extend services. It also resulted in logistical problems, which were resolved by the commitment of staff members who travelled daily to the three campuses to ensure that one central office coordinated the administration processes. The extension of services had financial implications, in the form of travelling expenses, overtime and materials. The policies of the three institutions were re-examined with a view to coming up with policies acceptable to all stakeholders in the new university. The policies of the former Technikon Pretoria which were in Afrikaans were translated into

English, since black students constitute about 70% of students in the new university.

The merger process left excess staff not needed in the new university, because the abolition of duplicated departments and faculties meant fewer staff members were required to perform the functions of the university. Employees' salaries were harmonised, with staff members of the same grade earning similar salaries. This led to an increase of about 12% in the salaries of staff members, resulting in about 71% of the University's income being spent on salaries.

The elimination of programme duplication created tension among students who, as a result, have to travel from their satellite campuses to the main campus to attend lectures only offered there. The teaching methods of the three technikons were different, and a single teaching methodology had to be negotiated for the newly merged institutions.

Prior to the merger process, the three institutions had different registration processes and systems and used different information technology systems. As a result, the organisational, academic and fee structures could not simply be loaded onto the new integrated information technology system. The process of integrating these systems and servers and merging their databases and statistical information was costly, although the government made provision for many of the costs resulting from the merger process.

One positive impact of the merger process is the upgrading of student residences in the former Technikon Northern Gauteng and Technikon North West and their continued maintenance plan. All the buildings are now habitable, meet acceptable health and safety standards and provide adequate facilities for the disabled.

The cultures of the three institutions were different and could not be easily harmonised or integrated. The institutions had different management styles and different missions, visions and values. For instance, Technikon Pretoria had a hierarchical management style, while TNG and TNW had consultative and participatory management styles. The new university had to develop a new mission, vision and values, in the process of which they realised they had more in common than they expected. This enabled them to develop a new statement of purpose.

4.7.4 UNIVERSITY OF KWA-ZULU NATAL

4.7.4.1 Introductory Paragraph

The University of Kwa-Zulu Natal resulted from the merger between the University of Natal and the University of Durban Westville. The merger process did not impact negatively on the financial position of the new university. However, the two universities that paid different fees prior to the merger process currently pay the higher of the two fees in the new university. Pipeline students are allowed to keep paying the old fees until they graduate or leave the institution. The residences also had different fee structures prior to the merger and it was not possible to apply similar fees to them firstly because the residences in the Westville Campus were in a state of disrepair, and secondly, the students' varying financial backgrounds made it difficult to apply similar fee structures. The University of Kwa-Zulu Natal agreed to upgrade the residences and provide transport facilities for students. These constituted another huge merger cost. Government however made provisions for such costs.

The merger process created uncertainty among staff members who feared that they might lose their jobs. The differences in the salary and conditions of service at the two institutions were harmonised. The University of Kwa-Zulu Natal did not

have the kinds of problem that other institutions experienced in having to accommodate existing executives. Many of the management posts were vacant. Therefore, it was easy to advertise them and have them filled.

The new University confronted the challenge of eradicating programme duplication in its five campuses. This meant the consolidation of certain programmes in specific campuses. Duplicated faculties and divisions such as finance were restructured into single divisions. The academic programmes of the merged institutions were restructured in order to offer similar courses and modules across the campuses.

The merger process led to the creation of a college model at the University of Kwa-Zulu Natal, in which similar faculties were grouped into structures known as colleges, headed by Deputy Vice Chancellors. The academic coordination activities were also moved from the registrar's office to planning office.

4.7.4.2 Implications of the Merger for the University of Kwa-Zulu Natal

a. Financial Implications

The merger process, according to the Strategy Planning Officer (Interview, University of Kwa-Zulu Natal, 26 April 2005), did not put the university in any financial difficulty. Although the university had a fund deficit, this had nothing to do with the merger. Rather it had to do with balancing the budget and the allocation of money. The staff compensation budget was reduced until the financial situation improved. The Department of Education provided funds, which improved the financial state of the new institution.

Prior to the merger process, the institutions that currently constitute the University of Kwa-Zulu Natal charged different fees. The merger process then meant that the students in the new university would pay similar fees since it would be impossible to charge different fees in one institution. The University of

Kwa-Zulu Natal further recognised that the institution would not be viable if students were charged the lesser of the fees that they had paid in their institutions prior to the merger process. The new university, in consultation with the students, agreed to charge the higher of the fees (Makgoba, 2004: 13).

Pipeline students were, however, allowed to continue to pay the lower of the fees until they completed their programmes or until they left the university. Their fees would however, increase in line with normal annual inflationary increases. New students would pay the higher of the fees (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005). The new students, however, could access financial assistance to cover the difference in fees. The university increased its financial aid packages for students in order to cover the gap created by students' fee increases. The Interim Council, according to Makgoba (2004: 13), "...approved a Uniform Policy Model for financial aid packages, bringing the levels of funding into line across all campuses, both for first entry and pipeline students".

b. Accommodation and Transport

The merger process had huge implications for student accommodation and transport. The former University of Durban-Westville had residences on the Westville Campus, which were in worse condition than the Howard Campus residences, and only nine kilometres away from the Howard Campus. The residences had different fee structures and it was not possible to apply similar fees to them because of the differences in their quality; the Westville residence was in a state of disrepair. The UDW did own blocks of flats but they were located in places considered unsuitable, such as Point Road on the beachfront. Students did not like these residences, which lacked easy access to public transport. The University of Kwa-Zulu Natal, therefore, embarked on a process of finding solutions to these problems: the Westville Campus was upgraded, and

the beachfront flats were either upgraded or sold (Interview, Strategy Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

The institution also secured the services of a transport company to shuttle students between the residences on the beachfront and the campuses. A task team was set up to consider the feasibility of employing a transport company to transport students to Pietermaritzburg to attend lectures, though remaining based in Durban. This is an expensive venture and another huge merger cost. The university, however, considered the cost effectiveness of outsourcing the project.

The student housing committees and the Student Representative Councils agreed that it was imperative to refurbish the Westville student residences, as well as to find lasting solutions to the shortage of undergraduate and postgraduate student accommodation on the Howard, Pietermaritzburg and Westville Campuses. The University of Kwa-Zulu Natal also had discussions with authorities at Ethekewini Municipality on how the Municipality could contribute to the provision of proper accommodation for students in their city development projects. The institution also explored the possibilities of building new student accommodation on the Howard and Westville campuses (Magkoba, 2004: 13).

c. Human Resources and Conditions of Service

The merger process created uncertainty among staff members who feared that they might lose their jobs. Although the university's management assured them that no one would lose his/her position, the staff were still concerned about their work security (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

The two merging institutions had different conditions of service in terms of housing subsidy, leave requirements, medical aid, pension and other perks. It was necessary therefore to develop a single set of conditions of service for the

newly created institution. The human resources divisions of the two institutions in conjunction with the Unions developed a single set of conditions of service out of the two original systems (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

The new conditions of service were finalised early in the merger without difficulties. The fact that the Unions were involved from the beginning of the process ensured that difficulties were not encountered along the way. A collective agreement was prepared for all relevant stakeholders to sign. The agreement addressed all areas of disadvantage, including the granting of annual salary increases and allocation of personal computers to all members of staff (Makgoba, 2004: 12).

Harmonisation and equalisation of salaries were not included in this agreement since they involve very sensitive issues. These issues however, could not be ignored because many employees who did similar work were paid different salaries. The institution used consultants to work out efficient methods for harmonising salaries (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

d. Duplicated Posts

The University of Kwa-Zulu Natal grappled with duplicated posts. This also raised anxiety and concern among affected staff. For instance, in cases where there were two directors of finance, the institution had to determine who became the new director of finance and how to redeploy the other person. Therefore, the university had to remain sensitive to the human side of such decisions while at the same time making sure that only those structures and posts necessary for efficiency were maintained (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

At the time of the merger, many management positions were either vacant or filled for short periods. This meant that the University of Kwa-Zulu Natal did not have to deal with many duplicated positions of this type. By the merger date, for instance, there had been many resignations among the management of the University of Natal, and the contract of the Vice Chancellor of the University of Durban Westville had expired by the merger date. Many of these posts were filled in acting capacities, so these staff members had no claim to the posts. The executive was, therefore, restructured on the basis of what the new institution needed rather than having to accommodate many people in existing positions. The 16 member executive is probably larger than the executive of any other institution in the country, which tend to have between eight and ten executive members. But the University of Kwa-Zulu Natal's largest executive was chosen deliberately to give people portfolios that were important in terms of the University's vision and mission. Overall, the UKZN did not experience the same problems as TUT for example, in having to accommodate existing executives. The posts were advertised internally at specific salaries, and interested candidates applied (Interview, Strategy Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

The University of Kwa-Zulu Natal no longer has duplicated management. Rather, each faculty has a Dean and up to three Deputy Deans, depending on its size. For instance, the Faculty of Humanities, Development and Social Sciences formed by merging four faculties, has about 8000 students. It has separate Deputy Deans for undergraduate studies and postgraduate studies. The Deputy Deans in Pietermaritzburg deal with the day-to-day affairs of that campus (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

e. Duplication of Programmes

The University of Kwa-Zulu Natal was confronted with the challenge of eradicating programme duplication in all its five campuses. For instance, the Pietermaritzburg Campus of the former University of Natal was managed as a separate institution, since it was very large. All programmes were thus duplicated across these two campuses. They even had separate Faculties of Science and Humanities (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

Efforts to eradicate programme duplication meant that certain programmes were consolidated at specific campuses. The consolidation process entailed the movement of similar programmes from all campuses to just one campus. The movement of infrastructure to specific sites caused various difficulties, as it was not possible to find sufficient space and accommodation such as offices, laboratories and lecture halls, for a number of programmes in certain sites. The university employed a team of consultants to find solutions to these space problems, and their suggestions were accepted by university management. Since the Pietermaritzburg Campus is about 90 kilometres away from Durban, it was excluded from the consolidation process (Interview, Strategy Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

f. Restructuring of Divisions

The duplicated divisions within the university's five campuses were restructured into single divisions. For instance, the former University of Durban Westville had five finance divisions, while the former University of Natal and its Pietermaritzburg Campus had separate finance divisions. These were restructured into a single finance division. The University thus brought affected employees into a single structure. The academic programmes of the merged institutions were restructured in order for the new University to offer similar

courses and modules across all its campuses. In other words, the new institution now has a single curriculum for all its campuses. All duplicated faculties have been reduced to single faculties, each with one Dean (Interview, Strategy Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

g. A Shift to the College Model

The University of Kwa-Zulu Natal uses a college model, which it considers an adequate means of governing such a large institution with a population of about 42 000 people. This model groups similar faculties into a structure known as a College, headed by a Deputy Vice Chancellor, Academics. There are currently four colleges, namely:

- College of Science, Engineering and Agriculture;
- College of Humanities, Social Science, and Education;
- College of Law and Management; and
- College of Health Sciences, which consists of the Medical School and the School of Health Sciences and Nursing (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

The shift to a college model has created a manageable governance process for the University. It has also enabled the establishment of a decentralised financial administration, in which the budget is devolved from central administration to the colleges. College budgets are currently managed by the Deputy Vice Chancellors (Interview, Strategy Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

The consolidation of academic programmes at the University of Kwa-Zulu Natal has led to the following arrangements:

- College of Science, Engineering and Agriculture is located at the Howard College Campus;
- College of Humanities, Social Science, and Education is located at the Edgewood Campus;
- College of Law, and Management is located at the Westville Campus;
- College of Health Sciences, which consists of the Medical School and the School of Health Sciences and Nursing, has not been relocated; and
- The Pietermaritzburg Campus which is 90 kilometres away from Durban, remains as it was since its distance from Durban makes it impracticable to incorporate its activities into those of the other four campuses (Interview, Strategic Planning Officer, University of Kwa-Zulu Natal, 26 April 2005).

h. Transfer of Academic Coordination Functions

These coordination activities, which were formerly performed by the registrar's office, have been moved to the planning office, to make the activities of the registrar's office more manageable. The Academic Coordination Unit is responsible for the processes of accreditation, gaining approval, writing policies, setting sessional dates, formulating academic rules and registering new programmes. The planning office is also responsible for quality assurance and management information (Makgoba, 2004: 7-8).

4.7.4.3 Concluding Remark

The University of Kwa-Zulu Natal is a result of the merger between the University of Natal and the University of Durban Westville. The new institution was successfully established because a number of issues that could have marred the merger were effectively dealt with. Academic and logistical planning commenced in advance of the merger date, the process was executed in a transparent manner with the involvement of relevant internal and external stakeholders, and

a climate of fear and intimidation was removed. Furthermore, the Interim Executive Management ensured that its conduct and the affairs of the institution were carried out with respect for equity, dignity and integrity. However, the challenges of racial and cultural differences remain and need to be addressed, to build a university that can be referred to as truly South African.

The merger process has led to the creation of a college model at the University of Kwa-Zulu Natal, in which similar faculties are grouped into structures known as colleges, headed by Deputy Vice Chancellors. Academic coordination activities were also moved from the registrar's office to the planning office. The merger process created uncertainty among staff members who feared that they might lose their jobs, but this did not materialise. Differences in salary and conditions of service of the two institutions were harmonised. The University of Kwa-Zulu Natal did not experience the same problems as other institutions in having to accommodate existing executives. Many management posts were vacant at the time of the merger. Therefore, it was easy to advertise them and have them filled.

The merger process did not impact negatively on the financial position of the University. However, the university currently charges the higher of the different fees that were paid in the former universities. Pipeline students are however, allowed to keep paying the old fees until they graduate or leave the institution. The residences also had different fee structures prior to the merger and it was not possible to apply similar fees to them because the residences in the Westville Campus were in a state of disrepair, and because students' financial backgrounds differ widely. The University of Kwa-Zulu Natal agreed to upgrade these residences and to provide transport facilities for students. These constituted another huge merger cost, for which the government provided.

The new university successfully confronted the challenge of eradicating programme duplication at its five campuses. Programmes were consolidated in specific campuses. Duplicated faculties and divisions were restructured into

single faculties and divisions. Similar courses and modules are now offered across the campuses.

4.7.5 CONCLUSION

This chapter has examined the incorporation process that took place in January 2004 between the University of Pretoria and the Vista University's Mamelodi Campus, the mergers that resulted in the creation of the Tshwane University of Technology and the University of Kwa-Zulu Natal, and the government's objectives for these processes. It revealed that a number of policies and legislation, including the *White Paper on Higher Education* of 1997 and the *National Plan for Higher Education* of 2001 provide the government's objectives and framework for the mergers and incorporation. These include overcoming the fragmentation that the apartheid policy makers created in the higher education system, and making higher educational institutions more responsible in terms of regional imperatives and developmental needs. The chapter further assessed the implications of government intervention on the system of higher education in South Africa.

At the University of Pretoria, the incorporation process led to the transfer of the assets, liabilities, rights and obligations of Vista Mamelodi Campus to the University of Pretoria, and the disappearance of Vista Mamelodi Campus as an entity. Vista funds were paid over to the University of Pretoria on the incorporation date. The two institutions agreed to work closely together and to refer unresolved disputes to the Central Incorporation Committee (CIC), or to the Joint Management Committee (JMC) should the CIC fail to resolve a dispute, or to the Vice Chancellors of these institutions if the CIC and JMC were unsuccessful. If the Vice Chancellors failed to resolve the dispute, the Councils of the two institutions would be approached with the aim of finding solutions to the disputes.

At the Tshwane University of Technology, Pretoria Technikon was chosen by the Education Minister as the official seat of the new University, since the three merging institutions failed to reach an agreement among themselves on this matter. The merger process was carried out in a consultative and participatory manner, with the involvement of relevant stakeholders and in line with the national government's merger guidelines. The three institutions embarked on pre-merger activities prior to the 1 January 2004 merger date. The activities aimed to determine the state of the technikons, including available infrastructure, programmes offered, financial procedures and processes, the number of staff and students, duplicated academic programmes, student support programmes and cultural differences among staff and students.

The *Memorandum of Agreement* which the three merging institutions entered into covered the following areas: operational functionality and communication; severance packages; filling of posts; promotion of employees; employee remuneration; renewal of contracts; the status of pipeline students; capital expenditure; academic and community-related agreements; dispute resolution and arbitration. They agreed to refer unresolved disputes to arbitration, and if necessary to obtain interim relief from a court of competent jurisdiction while they wait for the arbitrator's decision. In the MOA, the three institutions agreed to carry out their functions in a transparent manner; to timeously disclose all information necessary for an uncomplicated merger; and to make joint decisions on matters with organisational and operational relevance for the envisaged new institution.

The University of Kwa-Zulu Natal emerged from the merger between five campuses. The first structure to be finalised during the merger process was the Interim Council, which was appointed for six months to perform governance functions, excluding the establishment of institutional statutes. An interim management structure was appointed at the beginning of 2004 to manage the new institution during the first six months of its existence. In designing the new management structure, the institution considered the following factors: the needs

of a multi-campus institution; the cultures, expertise and diverse experiences of the citizens; and the core research, academic and service functions of the institution. The university was also required to ensure that existing Executive Managers with terms of office extending beyond the merger date continued to perform their functions until the finalisation of institutional structures and substantive appointments made to these positions.

Higher institutions around the country reacted differently to these incorporation and merger processes. While some of them feared that that academic standards would fall, others feared that they would be dominated by the well-established institutions with which they were to be merged or incorporated. The government took steps to allay such fears by putting necessary mechanisms in place to ensure an outcome that met the demands of all stakeholders and of the economy. This included establishing a merger office at the Department of Education, to provide support and monitor the implementation of the mergers and the incorporation.

As a result of the incorporation process, Vista Mamelodi Campus, which was incorporated into the University of Pretoria, no longer exists as an entity. The incorporation did not have significant administrative and managerial impact on the University of Pretoria, because the administrative and managerial systems of Vista Mamelodi Campus were simply aligned with the existing structures at the University of Pretoria.

The gap in academic standards at the Mamelodi Campus was narrowed by the incorporation process. For instance, study materials at the Mamelodi Campus were improved, better academic support for students provided, the Mamelodi Campus library improved, and an open computer laboratory and a 24-hour study area created. Differences in the entry requirements of the two institutions and their fee structures necessitated the consolidation of their academic

programmes. The incorporation process did not lower the quality of academic programmes and research.

The financial system and administration of the Vista Mamelodi Campus were incorporated into the financial systems and procedures of the University of Pretoria. The incorporation process, however, did not have a negative impact on the finances of the University of Pretoria because funding was provided by the government for the incorporation. The extra funding also ensured that the facilities at the Mamelodi Campus were upgraded. Differences in the conditions of service of the two institutions were bridged. However, the alignment did not favour former employees of Vista Mamelodi Campus, who, prior to the incorporation process, had better conditions of service than they now enjoy.

The institutional cultures of the University of Pretoria and Vista Mamelodi Campus have not been aligned. In view of the proposal to turn the latter into a study centre from 2008, it may no longer be imperative to align these cultures.

At the Tshwane University of Technology, the merger process had an impact on student development and support. When the three institutions were merged in January 2004, there was no single integrated selection policy in place, even though the next intake was already in progress. This led to difficulties. Staff also came under enormous pressure to provide and extend services. These logistical problems were resolved with the commitment of staff members who travelled daily to the three campuses to ensure that one central office coordinated the administration processes. This extension of services had financial implications, namely travelling expenses, overtime and materials. The policies of the three institutions were re-examined to find options acceptable to all stakeholders in the new university. The policies of the former Technikon Pretoria were in Afrikaans and had to be translated into English, since black students constitute about 70% of students of the new university.

Prior to the merger, the three institutions had different registration processes and systems and used different information technology systems. The various organisational, academic and fee structures were loaded onto an integrated system, created at a huge cost. The government supported the university in meeting the costs.

The harmonisation of employees' salaries led to an increase of about 12% in the money used for salaries, culminating in about 71% of the university's income being spent on salaries. This is beyond the government's recommended figure of 61% for salaries. Institutions should not spend almost 80% of their income on salaries and only 20% on essential managing operations.

The merger process resulted in excess staff. With the abolition of duplicated departments and faculties, fewer members are able to perform the necessary functions of the university. The elimination of programme duplication created tension among students who, as a result, have to travel from their satellite campuses to the main campus to attend lectures only offered there. The different teaching methods of the three technikons also had to be moulded into a single teaching methodology.

Students' residences were upgraded as a result of the merger. Adequate maintenance plans were put in place to ensure that the buildings are habitable, meet health and safety standards and provide adequate facilities for the disabled.

The cultures of the three institutions were different and could not initially be harmonised or integrated. These institutions had different management styles and different missions, visions and values. While Technikon Pretoria had a hierarchical management style, Technikon Northern Gauteng and Technikon North West used a consultative and participatory approach. As a result, Tshwane University of Technology had to develop a new mission, vision and values, in which process they drew on similarities between them.

The merger that resulted in the University of Kwa-Zulu Natal was successful because a number of potential problems were promptly dealt with. For instance, academic and logistical planning commenced before the merger date in a transparent manner. Relevant stakeholders were involved, and the climate of fear and intimidation assuaged. However, the challenges of racial and cultural differences remain and these need to be addressed in order to build a university that can be truly referred to as South African.

As a result of the college model adopted by the University of Kwa-Zulu Natal, similar faculties were grouped to form the colleges, headed by Deputy Vice Chancellors. The academic coordination activities were also moved from the registrar's office to the planning office.

The merger process created uncertainty among staff members who feared that they might lose their jobs. This did not in fact happen. Differences in salary and conditions of service of the two institutions were harmonised. The University of Kwa-Zulu Natal did not experience the same problems as other institutions, having to accommodate existing executives. Many management posts were vacant, and were filled by advertisement.

The merger process did not impact negatively on the financial position of the university, though, the higher of the two fees that the former universities charged their students had to be charged by the new university. Pipeline students are allowed to keep paying the old fees until they graduate or leave the institution. The residences had different fee structures prior to the merger, and because the residences in the Westville Campus were in a state of disrepair, and students' financial backgrounds varied widely, these differences remain. The University of Kwa-Zulu Natal agreed to upgrade residences and to provide transport facilities for students. These measures were another huge merger cost, for which the government, however, provided.

The new university successfully eradicated programme duplication on its five campuses. This meant the consolidation of certain programmes to specific campuses. Duplicated faculties and divisions such as finance were restructured and courses and modules offered across the campuses.

Some of the reasons for the mergers and incorporation given in various policies, including the *National Plan for Higher Education of 2001* and the *Education White Paper 3 of 1997*, are the need to overcome the fragmentation that existed in the past system of higher education; strengthen the academic nature of institutions; promote efficiency and effectiveness in higher education management and administration; and reduce overlap and duplication in academic programmes. This chapter's investigation into the implications of the mergers and incorporation raises the question, then, of whether the government has achieved its aims and objectives for the mergers and incorporation of higher educational institutions? It is important to evaluate the merits and demerits of the government's intervention through the mergers and incorporation, in the higher education sector.

The changes brought by the mergers and incorporation have helped to set the system of higher education in South Africa on the path of growth and development. For instance, the gap in academic standards has narrowed; neglected facilities and buildings have been upgraded to comply with health and safety regulations; programme duplications have been removed; efficiency and effectiveness in higher education management and administration have been promoted; and no jobs have been lost even in universities with excess staff, where staff members feared that they might lose their jobs.

The negative implications of the mergers and incorporation processes include excess staff and many students, especially those from poor backgrounds, being unable to afford the cost of higher education if they do not get bursaries or

scholarships. Previously disadvantaged institutions that have become satellite campuses of previously advantaged institutions cannot afford to have students who do not pay their fees or insufficient numbers of students. Also the alignment of institutional cultures remains a critical challenge, as do racial and cultural differences which must be urgently addressed, especially since one of the goals of the transformation of the higher education system is to redress past imbalances and eliminate discriminatory tendencies.

The government needs to do more for the system of higher education, especially grant higher institutions more autonomy in deciding what they teach and how they run their institutions. The government also needs to involve the higher education sector more in determining the allocation of money and in the management of higher educational institutions in general.

CHAPTER FIVE

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

5.1 INTRODUCTION

This chapter examines the uncertainties around higher education funding arrangements and their implications for institutional autonomy and academic freedom. It examines the eighth, ninth and tenth research questions, namely: What is the state of higher education funding and its implications for institutional autonomy and academic freedom? What are the implications of government intervention in higher education in other areas such as the determination of what universities may teach and student admissions? And what is the legitimacy of the claim that the autonomy of higher educational institutions is under threat as a result of government intervention in higher education?

The problems associated with the old funding formula are explored, and the development of a new funding framework explained. The old formula saw students as rational agents able to rationally respond to labour-market demands in their choice of institution to attend, and degrees or course to enrol for. This model accorded the government only the function of funding student demands and correcting any market failures that might arise. The new model, however, aims to improve the overall efficiency of the higher education system and speed up the process of transforming the system of higher education. It recognises that it is impossible to leave the development of the higher education system to market forces, which are not able to find solutions to the reconstruction and development challenges of higher education and the country as a whole.

The funding of higher education, in spite of the changes to the funding framework, remains a key challenge, as it is insufficient and characterised by steady decline. This has resulted in the inability of a number of the previously disadvantaged groups to acquire university education; failure to develop underdeveloped institutions; and inability of many students to study the courses of their choice. Subsidy cuts do not help make higher education more accessible, nor help the system in its attempts to offer essential services to previously disadvantaged groups.

Apart from inadequate funding, higher educational institutions also have to deal with the problem of government interference in how they utilise their funds, what and how they teach and the number of students they enrol for particular courses. These measures tend to erode institutional autonomy and academic freedom and could be interpreted as an attempt by the government to turn higher educational institutions into other government's departments. Higher educational institutions cannot, however, have absolute autonomy, since their existence and activities impact on relevant stakeholders such as staff, students, parents, the government, public and private sector organisations and the country, especially in terms of their contributions towards the human resource needs of the country and their responsibility to account for the public funds they receive. It is therefore imperative for the government and higher educational institutions to establish equilibrium between their functions, institutional autonomy and academic freedom.

5.2 THE OLD HIGHER EDUCATION FUNDING FORMULA

A large proportion of higher education institutions' income is derived from the state through specific funding mechanisms. The models and mechanisms for funding public higher education in the country prior to 1994 was fragmented, in line with the then government's varied governance arrangements. The South African Post-Secondary Education Funding Formula was developed between

1982 and 1983 for the then historically white institutions, and applied from 1984. The historically black universities were also included in that formula in 1985, (with the exception of higher institutions in the homelands), in order to achieve uniformity in funding practice and policy. These homeland higher institutions were, however, placed on the formula a few years later (Council on Higher Education, 2004: 188-189).

The main feature of the old model was that students were treated as agents able to rationally respond to labour market demands. Their choice of major fields of study, institutions and qualifications they chose were assumed to follow the signals of the labour market and their understanding of these signals. Higher education, as a result, became a construct of the kinds of choices that these students made as individuals. The only function which the model gave to the government in the system of higher education was, according to the Ministry of Education (2002: 4), "...that of funding student demand, and of correcting any market failures which may occur". As a market-driven model, the formula could not be used as a steering mechanism to address national objectives and goals (Ministry of Education, 2003: 1.5).

The old higher education's subsidy formula divided the courses that could be subsidised into two categories: natural sciences and humanities. Natural sciences include health sciences, computer and mathematical sciences, engineering, agriculture and the life and physical sciences, while humanities include all other areas of study. Different coefficients were set for each natural sciences and humanities subsidy student. The coefficients were based on real institutional costs and on specific normative assumptions about how higher institutions should function, such as efficient staff-to-student costs and ratios, given specific categories and numbers of students. Moreover, the Rand values attached to the different unit costs had to change annually in order to take account of changing cost patterns and inflation. As soon as the Rand values of the unit costs had been determined for a particular year, the application of the

approved coefficients, plus the total number of students which the higher institutions submitted, according to the Ministry of Education (2002: 5), "...must generate a figure of what the income from all sources should be for a higher education system which is operating in an efficient way".

The first step in the formula process was the deduction of institutional or private income shares from the amounts needed to cover non-subsidisable costs, so that the balance was left as the government's share of the ideal total. The different earmarked sums would then be credited to higher educational institutions. The total then became the final subsidy amount, which could be expected by an institution from the government. This indication of what higher institutions were entitled to receive from the government was known as subsidy entitlement (Ministry of Education, 2002: 5).

5.2.1 Problems with the Old Funding Formula

The old funding framework which came into being in 1982/83 was not suitable as a steering mechanism in meeting the policy goals and objectives of transforming the system of higher education in the country, especially since it was based on the market model and cost-driven (Ministry of Education, 2002: 3; 2003: 1.5.1). As a cost-driven framework, the basis for allocating funds to institutions had little to do with whether the costs were linked to the main activities of the institution, namely research, teaching and community service. Rather, the basis for the allocation of funds was, according to Ministry of Education, (2003: 1.5.1) "... the generation of an ideal income for individual institutions based on the determination of actual costs". Although a series of adjustments had been made to the framework, no substantive changes were made to it.

The old formula, which provided that higher education costs would be borne by both the users of the higher education system and the government, because

higher education has both public and private benefits, had the following problems:

- a) the formula did not take into account that all students would not necessarily be able to meet the full costs of their education;
- b) treating all higher educational institutions on equal terms meant that the formula failed to provide measures to counter the impact of these institutions' failure to achieve equal fund-raising;
- c) there were no mechanisms in place to finance the academic programmes of disadvantaged students;
- d) since the formula was not designed to take into account disparate group of institutions of higher learning, it produced an inequitable system, especially when applied to historically black higher institutions, which catered for the educational needs of historically disadvantaged students; and
- e) the income and expenditure data generated by these institutions were very different from the data on which the formula was statistically based (Council on Higher Education, 2004: 190).

5.3 DEVELOPMENT OF A NEW FUNDING FRAMEWORK

The new funding framework replaces the former framework, which was based on the market and cost model (Ministry of Education, 2003: 1.8). It attempts to improve the overall efficiency of the system of higher education (University of South Africa, 2005: 9). The *Education White Paper 3, 1997*, according to Ministry of Education (2002: 4), disagrees with the idea of viewing students as rational agents in the labour market. Rather, it posits that this model has failed in the South African context, and as a result, must be abrogated. The *Education White Paper 3, (South Africa, 1997: 4.61)*, on that basis, replaces the student-as-rational-agent model with a planning-steering model of funding higher education, which seeks to bring equity into the higher education system. The government

also takes cognisance of the labour market signals, but does not adopt, according to the Ministry of Education (2002: 4), "...either a narrow 'manpower' planning stance or the 'hands off' stance which is embedded in the student-as-rational-agent model".

The development of the *New Funding Framework* by the Department of Education commenced in 1998, soon after the *Education White Paper 3: A Programme for the Transformation of the System of Higher Education*, was released in 1997. The *Framework* was finalised in 2004 and will be implemented in full for the first time in the 2007/8 financial year (Ministry of Education, 2003: 1.12; 2005: 14). The process took considerable time, because although the principles that guide the development of the new funding framework are outlined in the *Education White Paper 3, 1997*, key policy issues relating to the restructuring of the system of higher education remained unresolved. The *National Plan for Higher Education, 2001* has addressed these issues, and in the process, made it possible to finalise the new funding framework (Ministry of Education, 2003: 1.12; 2002: 3).

A new funding framework, according to the *Education White Paper* (South Africa, 1997: 4.14), was required to speed up the process of transforming the system of higher education in the country. The new funding framework had to be performance and goal-oriented, so as to meet the aims and objectives of transforming the system of higher education, such as equitable access for students, better quality of research and teaching, better student graduation and progression rates, and better responsiveness to economic and social needs. The *National Plan for Higher Education*, (South Africa, 2001: 12) notes that funding, planning, and a new and adequate funding framework are central to achieving set targets and goals.

The development of the system of higher education, according to the *Education White Paper 3*, (South Africa, 1997: 2.9), cannot be left to market forces,

especially since it is not able to find solutions to the reconstruction and development challenges of higher education. The *White Paper* therefore proposes a planning model of higher education funding to replace the market model, in order to achieve the following national policy goals and objectives: an adequate regulatory framework, a responsive funding framework, and national and institutional three-year rolling plans. These plans, which are updated annually, consist of data, targets and resource estimates. They facilitate the planning of growth and change in higher education to be more responsive to economic and social needs and ensure stability in the budget process. The planning model consists of the following three steps:

- a) national policy goals and objectives are determined by the Ministry;
- b) three-year rolling plans are developed by each higher institution, indicating their means of addressing the national policy goals and objectives; and
- c) subject to available funds, and on the basis of the interaction between the institutions and the Ministry of Education, which results in the approval of institutional plans, funds are released to respective institutions (Ministry of Education, 2003: 1.7).

As a result of the problems with the earlier funding formula and its unintended consequences, the National Commission on Higher Education recommended in 1996 that a new funding framework be developed to be, according to the Council on Higher Education (2004: 192), "...consistent with the principles of equity (including redress), development, democratisation, efficiency, effectiveness, financial sustainability and shared costs".

The *Education White Paper*, (South Africa, 1997: 4.61), in accepting the recommendations of the Council on Higher Education, declared that since additional funds would be needed for the redress, transformation and expansion of the system of higher education, public funding of the system would have to be

performance-related and goal-oriented. The end result of this kind of funding mechanism, according to the *Education White Paper 3 (South Africa, 1997: 4.14)*, should be improved quality of research and teaching; more equitable student access; greater responsiveness to economic and social needs; and higher levels of student progression and graduation rates. The model would include provision of more earmarked funds for the realisation of specific agendas such as student financial aid and institutional redress, and an easier means of allocating general-purpose block grants to institutions on a rolling three-year basis. In other words, the earmarked and block funding components would be retained but applied differently. Also, the allocation of public funding to higher educational institutions will depend on the ability of these institutions to provide strategic plans and performance reports in relation to the objectives of these higher institutions. The higher institutions' three-year rolling plans, approved by the Education Minister, would thus be used as points of reference for negotiating higher institutions' budgetary allocations with National Treasury (Council on Higher Education, 2004: 192-193).

5.3.1 Feature of the New Funding Framework

The new funding framework considers the main focuses of higher education to be teaching, research and community service, which contribute to improving the economic and social conditions of the country. The new model's idea of prices differs from the old model's. In the new model, the government begins by establishing how much money is available to spend on higher education, and then makes the funds available to higher institutions on the basis of their priorities and needs. The new funding mechanism operates in a top-down manner. In other words, only once the government has determined the amount of funds available for higher education in a given year, and the services that higher education should deliver within that year, do the different mechanisms within the funding framework come into operation (Ministry of Education, 2002: 4 & 6).

The new funding system involves a cyclical process, in which funding by the government depends on the three-year rolling plans which the universities develop, their equity targets, research outputs and graduation rates (Van Essche & Masson, 2004). Although the new funding mechanism is goal-oriented, it is based on a combination of earmarked and formula funding components, not only formula funding as was the case with the old funding formula (Van Aswegen, Rey & Pines, 2003: 1). The new funding framework also ensures that the distribution of government grants to higher institutions, which is in accordance with the approved plans of individual higher institutions, is also in line with policy priorities and national planning, and the amount of funds which the national budget on higher education makes available (Ministry of Education, 2004: 2). The framework does not aim to micro-manage by allocating funds to various higher institutions' units such as faculties and academic departments. Rather, according to the Ministry of Education, (2005: 2), "...various components of the funding framework function as a broad mechanism for distributing single block grants to institutions".

The framework requires the Education Minister to issue an annual statement, in which the following forward determinations aimed at ensuring the stability of the funding framework are included:

- a forecast of the total amount of grants which could be possibly available for distribution to the public higher education system over a three-year period;
- a forecast of the system of public higher education's likely totals of outputs and of planned student inputs for that three-year period;
- information on how required data for input, output and institutional factor calculations will be determined;
- information on the input and output weightings, and on the various reference points employed in calculating block grants;

- information on the mechanisms to be employed in redistributing unallocated proportions of output block grants;
- information on the means of calculating institutional factor grants; and
- information on how the framework will be implemented, and the measures employed to ensure that the system of public higher education is not destabilised (Ministry of Education, 2005: 2).

The Education Minister, prior to carrying out any major changes to the new funding framework, must consult the Council on Higher Education and the higher education sector. Such changes are announced in the Annual Ministerial Statement, and, according to the Ministry of Education (2005: 2) "...implemented at the earliest in the final year of the three year cycle following that covered in the Statement". In 2003, the government announced new financial reporting regulations, which demand that higher institutions adhere to strict standards of accounting and corporate governance. Higher institutions will be held accountable through these regulations for effective and efficient use of public funds and the identification of issues in need of urgent attention (Van Essche & Masson, 2004).

5.3.2 Planning Process for the New Funding Framework

Planning and funding are essential means of steering higher education towards the goals of transformation. The adjusted subsidy formula which was introduced in 1993 ensured that the financial crisis faced by higher institutions in the pre-1993 South African dispensation was stabilised, though this did not resolve the financial inequalities between the historically advantaged and historically disadvantaged institutions. The funding makes special reservations for institutional redress, for student financial aid and for other specific purposes such as, according to the *Education White Paper 3*, (South Africa, 1997: 50&53), "...to

encourage innovation and adaptation, and to build capacity in new areas. Institutions applying for funds through this programme will be required to relate their submissions to their strategic plans”.

The planning process for the new funding formula commences with interaction between individual higher educational institutions and the Ministry of Education. The Ministry determines the needs for funding, in terms of student enrolment plans of individual institutions (Ministry of Education, 2004: 3). The main features of the planning process can be explained as follows: The Ministry of Education analyses the real student enrolment of each higher institution over a four-to five-year period. The Ministry also considers any recently submitted plans, such as equity plans, three-year rolling plans and operational plans. As soon as these analyses are completed, each higher institution receives from the Ministry an initial indication of what the likely size and shape of its funded student enrolment will be over the next cycle of funding years. Institutions are then given the opportunity to react to these initial proposals. They can then submit amended or alternative proposals to the Ministry for discussion. Once the iterative process is over, the Ministry consolidates the individually approved institutional plans into system-wide totals of full time equivalent (FTE) student places which the government will fund during this planning period. Each of the approved institutional enrolment plans is subject to annual review to respond to changing institutional performances or changing external circumstances (Ministry of Education, 2004: 3).

5.4 CATEGORIES OF NEW GOVERNMENT GRANTS TO HIGHER EDUCATIONAL INSTITUTIONS

The three elements of government funding for higher education are Institutional Restructuring Grants, Block Grants and Earmarked Grants. These can be explained as follows:

5.4.1 Institutional Restructuring Grants

These are special allocations made to merging institutions in 2004 and 2005 to assist them in the merger process. These grants were allocated to the merging institutions, having considered their academic and business plans (Council on Higher Education, 2004: 202).

5.4.2 Earmarked Grants

Earmarked grants are allocated to higher institutions to fund the National Student Financial Aid Scheme (NSFAS) (Ministry of Education, 2003: 4.1). Only about 2% of earmarked funds are allocated to other specific matters like interests and redemptions payments on government-approved loans (Ministry of Education, 2004: 5).

5.4.3 Block Grants

Block grants are undesignated amounts allocated to cover higher institution's operational costs linked to research and teaching. The allocation of earmarked and block grants is subject to the total of public funds available for higher education in a particular year; teaching and research-related services, and other objectives which the government expects the system of public higher education to deliver. The proportion of the higher education budget for allocation to either block or earmarked grants and their subcategories remains the prerogative of the Education Minister. These determinations are made as three-year forward determinations by the Education Minister. In other words, should there be changes, according to the Ministry of Education (2003: 2.1 & 2.3) "...to the proportions of the national higher education budget allocated to any category or sub-category, these would be implemented at the earliest in the third year of the next Medium Term Expenditure Framework triennium".

5.5 SUB-CATEGORIES OF BLOCK GRANTS

Higher education block grants consist of the following sub-categories: research output grants, teaching output grants, teaching input grants; and institutional factor grants (Ministry of Education, 2003: 3.1). The implications of the latter are as follows.

5.5.1 Research Output Grants

These grants are determined based on publication unit outputs and actual research graduates, weighted, according to the Council on Higher Education (2004: 203), as follows: "...publications units 1; research master's graduates 1; doctoral graduates 3". Research productivity, according to the *National Plan for Higher Education* (2001), should be enhanced; research funds should be properly accounted for; and institutions with proven research capacity should be provided with sufficient resources. In the context of the *Medium Term Expenditure Framework* three-year rolling projections, the Education Minister annually determines what constitutes research output. The Minister also determines if it is necessary to submit formal application for the use of research development funds (Ministry of Education, 2003: 3.1).

5.5.2 Teaching Output Grants

The funding framework, in line with the provisions of the *National Plan for Higher Education, 2001*, makes teaching output grants available as incentives for higher institutions to ensure greater pass rates, throughput and graduation rates among their students. The Education Minister will annually determine what constitutes teaching outputs and if institutions need to formally apply for teaching development funds (Ministry of Education, 2003: 3.2).

5.5.3 Teaching Input Grants

The teaching input grants of higher educational institutions are generated by the actual total of full-time equivalent (FTE) student enrolments. In other words, the amount that universities receive in teaching input grants is based on their planned enrolments in various programmes and levels of study (South Africa, 1997: 4.20). If necessary, this will be adjusted in accordance with the Education Minister's student enrolment plan. Annually and in line with the Medium Term Expenditure Framework's three-year rolling projections, the Education Minister determines the planned totals of FTE student places for the system of higher education and for every higher education institution (Ministry of Education, 2003: 3.3).

5.5.4 Institutional Factor Grants

Unlike the former funding framework, which provided for institutional set-up subsidies that compensated institutions for basic running costs without considering the size of their student population, the new funding framework does not contain such provision since it holds the principle that the government's funding to higher education is for the purposes of delivering research and teaching related services, and not for defraying costs (Ministry of Education, 2003: 3.4).

5.6 FUNDING PROBLEMS

The higher education policy is widely criticised by various stakeholders such as the universities' management, staff and students, who consider the policy as not working, and the funding provided by government as not sufficient to ensure the realisation of what the government expects from higher institutions (Pityana, 2004(b): 13; Nzimande, 2004).

Funding of higher education remains a fundamental challenge to concerned institutions and the government itself, especially in view of the steady decline in state funding of higher institutions. The funding of higher education in South Africa has become problematic and apparently difficult to manage. Although the funding made available by the government to higher education over the years has been relatively stable as a percentage of the Gross Domestic Product, the education budget and state budget, the years after 2000 have witnessed a decline in this regard. Although education in general receives almost the largest chunk of the national budget, this does not appear to filter through to higher education. According to Pityana (2004(b): 13) "...in real terms, funding for higher education has been progressively decreasing... even though the rate of participation in higher education has more than doubled since then". The National Student Financial Aid Scheme, which was introduced by the government as soon as it took over the reins of governance in 1994, has already made available over R1billion to students in loans, as mentioned before. This, however, has not been sufficient to meet the financial needs of all students. Many students, both enrolled and wishing to enrol for higher education, are not able to get bank loans to finance their studies due to such factors as high interest rates, collateral and blacklisting by credit bureaus (Nzimande, 2004).

5.6.1 Problems with the Quota System

Universities are asked by the national government to reduce and control their student intakes since uncontrolled growth cannot be funded by the system. However, this call has to be balanced against the government's demand for equity and access, to increase the intake from previously disadvantaged students, as well as to give more opportunities to deserving students. The funding framework also pushes higher institutions to produce graduates in specific fields, which the government considers as more beneficial to the country (Van Aswegen *et al.*, 2003: 1).

5.6.2 Consequences of Reduced Funding

The nature and effectiveness of the new funding framework dominates current debates around the funding of higher education in South Africa. As the government continues to shape the attitudes of higher institutions to bring them in line with national policy objectives, the new funding mechanism is having a negative impact on the behaviour of these institutions. Since public funding is not sufficient to meet all of the institutions' needs, they have to seek alternative and additional sources of income, such as higher tuition fees, contract research and consulting work (Council on Higher Education, 2004: 200-201).

Although the system of higher education in the country has been vigorously transformed so as to redress the educational imbalances of the past, the reduction in allocations to universities counteracts this. The subsidy cuts cannot enhance the transformational need for increased access to higher education; neither will they enable the rendering of essential services to the previously disadvantaged groups (Van Aswegen *et al.*, 2003: 2). Insufficient funding of universities, especially of less privileged institutions, leaves them unable to upgrade their facilities and infrastructure like laboratories and libraries. In the beginning of 2005, a number of institutions such as the Tshwane University of Technology and the University of Pretoria experienced protests by dissatisfied underprivileged students who were excluded from the institutions for not paying their registration and tuition fees.

The government's position on funding contradicts its efforts to promote social reform, especially, according to Van Aswegen *et al.*, (2003: 2), "...in the field of higher education which constitutes such a vital component of the necessary social reform". Since many higher institutions were already in a bad financial state prior to the new funding framework, it was therefore ill-considered of the government to effect such reductions in subsidy allocations.

The government has reacted to the dissatisfaction of various higher education stakeholders by claiming that it never committed itself to meeting all the funding needs of higher educational institutions. As soon as the first formula was introduced in 1982/83, the previous government realised that it could not provide the amounts which the formula generated. As a result, the government immediately introduced reductions to the subsidy totals. A feature of the old model which underpins the current formula is that the government is the funder of last resort. In other words, the basis of government subsidies to higher educational institutions lies with the determination of actual costs of reasonably efficient institutions, and decisions about which of these costs should be covered by government subsidies (Ministry of Education, 2002: 4).

The funding of higher education by the government is to a large extent based on the hope that higher institutions would provide for the rest of their costs through private income sources, such as tuition fees. The new framework accepts the fact that the government can only spend what is available. In this regard, the funds which institutions receive from the government are performance and goal-oriented in the sense that they are intended for only those services rendered in terms of teaching and research which are linked to approved three-year rolling plans of higher institutions, and which contribute to the country's economic and social development. These funds are not meant for meeting particular levels or types of institutional costs, but are related to academic activity and output. Moreover, it might not be possible for the government to maintain steady levels of funding, because the country's expenditures are lower than international standards, and, according to the Council on Higher Education (2004: 207) "...steady values of subsidy per student have been achieved to the detriment of capital expenditure".

This leaves higher institutions with the daunting task of diversifying their income as much as possible, as they have been doing through additional and alternative sources of income such as contract research, donor funding and collaborative

agreements, often at the expense of their traditional functions of teaching, research and community service.

5.7 IMPLICATIONS OF FUNDING FOR INSTITUTIONAL AUTONOMY AND ACADEMIC FREEDOM

Higher institutions are established in accordance with legislation such as the *Higher Education Act, 1997* (Act 101 of 1997). However, they are governed by their own regulations, with the university council as their highest governing body. The *Bill of Rights*, as contained in the *Constitution of the Republic of South Africa, 1996*, accords these institutions their institutional autonomy and academic freedom. The *Bill of Rights* (South Africa, 1996: sections 16 (1); 29), posits that further education, which must be made progressively accessible by the state through reasonable measures, is the right of everyone. It further provides for freedom of scientific research and academic freedom. These constitutional provisions have been operationalised through the formulation and implementation of educational policies.

Institutional autonomy, according to Jansen (2004: 2), means the right of institutions to make decisions on core academic concern for themselves; and academic freedom is the absence of external interference in seeking these concerns. Institutional autonomy consists of the following essential components: freedom to choose staff and students and determine the criteria for retaining them in the institution; freedom to determine the contents of the curriculum and degree standards; and freedom to disburse funds to the various types of expenditure, based on available funds (Fourie, 2004: 2).

The academic freedom of higher institutions, according to higher education leaders and academics, is under threat, as the government's higher education policies are seen to undermine this inherent right. Universities' principals and top

management claim that the government's funding policies undermine the academic freedom of higher institutions. For instance, the merger policies are seen to violate institutional autonomy. The new funding framework for higher education is also considered in the same light as it attempts to prescribe what courses higher institutions may or may not teach, and to control admissions as a prerequisite for adequate funding (Pityana, 2004: 2 & 4). The government cannot take over the functions of universities by deciding the courses that they can teach, even if universities tend to enrol students in academic disciplines which are not considered priorities of government.

Felicity Coughlan, Director of Strategic Planning at the University of the Witwatersrand, also supports the claim that the government's funding policy undermines institutional autonomy. She posits that the government is infringing on the autonomy of universities by instructing them on the number of students they can enrol. Universities should be allowed to decide how many students to enrol and how to allocate government funds to more students, she argues. She also considers this approach by the government as a new means of limiting the amount of funds allocated to higher institutions. She further says that since there will always be students who are neither prepared for university nor adequately financed, having less students therefore will not guarantee better pass and dropout rates (This Day, date unknown, 2005).

A critical concern from a sectoral viewpoint around the implementation of the funding strategy, is the complex interrelationship in the governance of higher education in the country between institutional autonomy and public accountability. In terms of the new funding framework, the total of public funds available to higher institutions is determined solely by the government, without any input from higher institutions, except their contributions through the three-year rolling plans. This is similar to the old formula in which the higher institutions had no input. In the new funding framework, it is the prerogative of the Education Minister, in line with the *Medium Term Expenditure Framework*, to determine

what teaching and research outputs consist of; define what 'disadvantage' means; determine the benchmark ratios for teaching and research development funds; and determine the weightings attached to teaching and research outputs. Various stakeholders have seen the autonomy of higher institutions to be under jeopardy as a result of these Ministerial powers to carry out such far-reaching changes (Council on Higher Education, 2004: 206).

The government has defended its intervention in higher education through the mergers and incorporations of higher institutions and the funding arrangements on the grounds that these are all geared towards setting the higher education landscape on a path of higher growth, development and equitable provision of education for all people, and therefore the creation of a better life for all. The government also justifies these initiatives by saying that: that transformation within higher institutions has remained slow to make meaningful impact on the country's democratisation processes; numbers of administrative and academic staff within previously advantaged institutions have not increased dramatically; previously disadvantaged institutions do not as yet have sufficient funding to improve their infrastructure or to hire highly qualified personnel; and the funding to higher institutions must be accounted for as it is the government's as well as the tax payers' money. Since universities are the custodians of the country's future leaders, the government believes that it must take an interest they cannot be left alone without taking interests in their products, that is, the graduates, research output and publications (Pityana, 2004: 2 &4).

5.7.1 The Possibility or Impossibility of Absolute Autonomy

In practice, it would be unrealistic for higher institutions to enjoy absolute autonomy because their existence and functions affect various stakeholders such as staff, students, parents, employers, the government and even the country as a whole, because these institutions contribute towards the human resource needs of the country. Therefore, higher institutions are accountable to these

stakeholders. Autonomy therefore demands adequate response to societal expectations with simultaneous satisfaction of the needs of higher institutions. Although it is generally agreed that higher institutions need to account for the resources they receive as well as for how they balance the requirements of society with their own needs, there is no consensus on how and to whom higher institutions should be accountable. Higher institutions, as a result, find themselves, according to Fourie (2004: 2), "...being pushed and pulled in a number of different directions by groups of stakeholders and are increasingly finding it impossible to be all things to all possible constituencies. Not the least of these challenges is their relationship with the state".

The initial policy proposals made after 1994 for higher education emphasised the role of the state in higher education transformation. This led to consensus on the principles and values that should guide policy formulation, adoption and implementation. Accountability and institutional autonomy are among the values adopted by relevant legislation and policies, such as the *Education White Paper, 1997*. Accountability and autonomy relate to the relationship between higher educational institutions and the government. A look at the functions of the state within the system of education and within society is necessary in order to understand this relationship. The functions of the state include the development of a functional and well structured system of education in order to take care of its citizens' welfare. As a public good, therefore, higher education needs public investment, and this is provided by government in the form of physical and financial resources, which the system of higher education needs for operation (Fourie, 2004: 5&2).

It is clear therefore that the state is a major player in the higher education sector. However, Jansen warns that higher educational institutions will find it difficult or even impossible to regain their autonomy if they lose it. The erosion of this autonomy will not stop unless all the institutions of higher education in South Africa collectively make their disapproval heard (Holiday, 2004: 1). The challenge

ahead is for higher institutions and the state to reach equilibrium between their functions, institutional autonomy and academic freedom.

5.8 CONCLUSION

This chapter has examined the uncertainties around the higher education funding formula and the implications of current higher education funding arrangements for institutional autonomy and academic freedom. Higher educational institutions may not be able to enjoy the kind of autonomy and academic freedom that they seek, since their activities influence a wide range of stakeholders, including staff, students, parents and government, as these institutions contribute towards the human resource needs of the country. Higher institutions are therefore accountable to these stakeholders.

The fact that higher institutions have to account for their activities and the money they receive from the state, and the fact that the functions of the government include the development of a well-structured and functional system of education, mean that the state cannot overlook the higher education sector. Higher institutions are required to be accountable for how they spend public money and to achieve good results with it, in the public interest. In a sense, public funding of higher education can therefore be considered as a means by which the state fulfils its obligation to support higher education. In another sense, the government is able to direct the system of higher education towards particular targets and goals through the powerful mechanism of funding.

The finance mechanisms the government uses can infringe on higher institutions' autonomy; the government has gained power over these institutions to the level that it can make decisions on their core activities. The state even determines the courses it will fund and explicitly claims some courses are more desirable than others.

Numerous complaints have been voiced by various higher education stakeholders about the difficulty of finding sufficient resources to meet the challenges of higher education. These complaints include the pressure on academics to deliver more services with fewer resources; to undertake academic capping since the system cannot fund uncontrolled growth; to balance that between the need for access and equity; to increase the number of students from previously disadvantaged backgrounds; and to give more opportunities to deserving students.

South Africa's higher education policy is considered by a number of academics to be ineffective. They contend that it is overly prescriptive and contradictory. For instance, some policies focus on ensuring that more students, especially those from previously disadvantaged backgrounds, acquire higher education, while the same government that formulated these policies attempt to control the number of students gaining admission to higher institutions, on the basis that funding is insufficient. These policies will not be beneficial to the previously disadvantaged communities where there are many people from poor backgrounds who are in need of higher education. By restricting access to higher institutions, these policies will furthermore limit academic freedom.

Government intervention in higher education through the mergers and incorporation of higher institutions, as well as the funding arrangements is geared towards setting higher education on a path of higher growth, development and equitable provision of education for all people, and, therefore, the creation of a better life for all. In view of the high level of dissatisfaction and complaints by higher institutions over insufficient funding, the government has ordered a review of its financial commitment to these institutions. The review process will not be examined in this thesis as it is still in the preliminary stage. This will be left for future studies.

As it would be impossible to realise the goals of accelerated development in South Africa without a fully functional, efficient and effective system of higher education, a critical question is whether enough resources are being provided to meet current educational challenges. Will reduction in funding enable the realisation of these laudable objectives? The answer apparently is no. The government really needs to allocate sufficient money to the higher education sector and give universities more space to execute their functions without interference. Although the transformation and restructuring of the higher education landscape are necessary, the government must support these processes by ensuring that adequate funding is provided for higher education.

Higher institutions also have a major role to play in increasing their financial resources. Shrinking government funding to higher institutions means that these institutions must vigorously seek alternative sources of funding sufficient to cover the shortfalls in state allocations. This will show that higher institutions are serious about resisting government interference in institutional autonomy and academic freedom.

Although the state has a duty to provide strategic direction, regulatory frameworks and policies for an effective and efficient higher education system in line with the provisions of the *Constitution of the Republic of South Africa, 1996*, the *Education White Paper 3: A Programme for the Transformation of Higher Education of 1997*, and the *National Plan for Higher Education, 2001*, these objectives can only be adequately fulfilled by the state in partnership with the management of higher institutions and their governance structures.

In chapter six, a number of important problems that result from the government's intervention in higher education through its policies, mergers and incorporation, and funding arrangements will be considered so that policy options can be offered.

CHAPTER SIX

POLICY OPTIONS AND CONCLUSION

6.1 INTRODUCTION

The aim of this chapter is to provide policy options to a number of unresolved problems, to recapitulate the objectives of the study and how they have been addressed. The chapter examines research questions eleven, twelve and thirteen, namely: What policy options and further recommendations can the government and higher educational institutions adopt as alternative solutions to the problems identified in the research? How can government priorities and institutional autonomy be reconciled so that the priorities do not undermine institutional autonomy and institutional autonomy does not undermine government priorities? And how can cooperative governance between the government and universities be enhanced? It is worth noting that, even though a number of issues remain unresolved, government's intention in the form of its policies is to have positive outcomes that create a better atmosphere in comparison to the state of higher education prior to the intervention process.

This thesis examines a number of primary and secondary research objectives. The **primary** objectives are to consider:

- the theoretical foundations of Public Administration and specifically public policy;
- the international context within which the system of 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 resulting or possibly resulting from such intervention;
- the implications of the mergers and incorporation 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 as alternative solutions to the problems identified in the research, and that could facilitate the realisation of a system of higher education that redresses the imbalances of the past, meets the developmental needs of the country and protects higher education's institutional autonomy and academic freedom.

On the basis of these objectives, the preceding chapters considered the following:

- theoretical foundations of Public Administration and specifically public policy;
- international trends in higher education;
- South African higher education context and policy processes;
- mergers and incorporation of higher educational institutions in South Africa;

- implications of the mergers and incorporation of higher educational institutions;
- state of higher educational funding and its implications for institutional autonomy and academic freedom; and
- generation of policy options.

In the preceding chapters, a number of factors were noted: The two trends within the higher education sector internationally, and in particular within the South African context, are that governments are intervening more in higher education affairs, while at the same time disengaging gradually from supporting higher education financially. Government's intervention in higher education in South Africa resulted from the need to transform the system of higher education in order to find solutions to the problems relating to issues of equity, access, efficiency, effectiveness, transparency and accountability, and set the higher education landscape on the path of growth and development. The policies formulated to achieve these objectives have been largely prescriptive and characterized by contradictory pronouncements from government, as well as by lack of unanimity among stakeholders on the best methods for implementing these policies. These difficulties impede the achievement of substantial transformation objectives in the higher education sector.

The government's current higher education policies are widely considered as undermining the autonomy and academic freedom of universities. However, there are reasons for this intervention, some justifiable and some unjustifiable. It is important to balance the level of autonomy of higher institutions and the extent of government involvement in higher education with well-designed regulations, appropriate values and cooperation among all stakeholders. The university community through the student unions, Higher Education South Africa (HESA) and the Council on Higher Education (CHE), should regularly engage with the government on all matters concerning higher education.

The problems of excess staff and culture integration, which resulted from the mergers and incorporation processes have not been resolved. A number of academic staff members in Tshwane University of Technology, for instance, have become redundant as a result of the abolition of duplicated programmes and faculties. The cultures of the merged and incorporated institutions must be integrated, to eradicate the complications associated with culture differences. Affected institutions, with assistance from the government, must implement strategies that promote culture integration to avoid discriminatory tendencies and ensure the protection of fundamental human rights and equal opportunities.

The reduction of funding to higher educational institutions may prevent the realisation of the government's objectives for increased student access and participation rates. It may also impede growth and development of the economy. The government needs to desist from its student quota system for higher education, which renders a number of courses unattractive and defeats the quest for equal opportunities for all. Specific consideration should be given in the allocation of funds to addressing students' accommodation needs and the needs of multi-campus universities.

The following sections examine a number of important problems resulting from the government's intervention in higher education through its policies, mergers and incorporation and funding arrangements, which undermine institutional autonomy and academic freedom of universities. Ways of minimising higher education funding problems and the extent of government intervention in higher education so as to protect institutional autonomy and academic freedom are considered. This chapter also provides policy options in these regards.

The chapter concludes with further recommendations for the realisation of a higher education system that meets the needs of a developing economy, promotes access and equal opportunities for all qualified graduates and students seeking admission, and enhances true culture integration. The recommendations

include the establishment of an office for indigent students at the Department of Education; creation of a higher education performance bonus; creation of a special budget; establishment of a higher education sentencing framework; establishment of a higher education vetting unit; and establishment of an ethics and integrity office within all higher educational institutions.

6.2 POLICY OPTION 1: SOUTH AFRICAN HIGHER EDUCATION POLICY CONTEXT

6.2.1 Introductory Paragraph

Government intervention in higher education in South Africa resulted from the need to transform the system of higher education to find solutions to problems relating to issues of equity, access, efficiency, effectiveness, transparency and accountability, and set the higher education sector on the path of growth and development. The implementation of policy in this regard, however, has been largely prescriptive and characterized by contradictory pronouncements by the government, as well as by a lack of unanimity among stakeholders on the best way to implement these policies. These difficulties may delay the achievement of substantial transformation in the higher education sector.

6.2.2 Challenges of South African Higher Education Policies

The system of higher education is faced with the challenge of redressing past inequalities, meeting pressing national needs, and responding to new realities and opportunities. With the end of apartheid in the early 1990s, the government had to reorganise the system of higher education in the country. During this period, the higher education system was characterised by complications, which led to instability within the system, such as large-scale leniency towards students, student organisations and their leaders; widespread corruption in many

higher institutions, especially the historically black institutions; crises of governance in some institutions as a result of the collapse of universities' councils and malpractices of university management; and financial crises resulting from large scale student debts. The 1990s also witnessed problems related to a dramatic decrease in student enrolment; decline in the quality of higher education; fluctuation in enrolment patterns; and increase in the number of private higher institutions (Jansen, 2003: 13).

These problems, among others, led to government intervention in higher education, in efforts to restore order and ensure that higher institutions comply with the new regime of academic regulations. Higher institutions are expected to account for their performance in terms of equity, efficiency and effectiveness (Jansen, 2003: 13). The government's intervention in higher education through mergers and incorporations of higher institutions, as well as through funding arrangements is geared towards setting the higher education landscape on a path of higher growth, development and equitable provision of education for all people, and, therefore, the creation of a better life for all.

The policies and processes that the government has put in place since 1994 are meant to correct all the problems associated with higher education. These policies envisage a higher education sector transformed to build a better quality of life for all. In order to realise this vision, the following five key foundations of the new higher education framework were proposed by the National Council on Higher Education, and accepted by the government in the *Higher Education Act, 1997* (Act 101 of 1997) and the *National Plan for Higher Education, 2001*: a single nationally coordinated system of higher education; increased access and raised participation rates; increased responsiveness to societal and economic needs; programme differentiation and the development of institutional niche areas; and a planning and coordination imperative (National Commission on Higher Education, 1996: 2).

The implementation of higher education policies since 1994 has been characterised by difficulties resulting from lack of consensus among relevant stakeholders on the modalities for implementing these policies. The higher education community in South Africa has never had a strong consensus over the content of the new policy framework as a result of competing interpretations, and discursive tension (such as competing ideas over how to transform higher education in South Africa) that characterised such policy debates since the beginning of the 1990s (Kraak, 2001: 2).

South Africa's higher education policy is considered by a number of academics to be ineffective, since it is prescriptive, and yet contradictory. The gap between policy formulation and its implementation can be seen in a number of higher education policy failures, or partial success at best. For instance, some policies focus on increasing access to higher education by ensuring that more students, especially those from previously disadvantaged backgrounds, acquire higher education. However, the same government that drafted these policies expects universities to reduce the number of students gaining admission to higher institutions, and to cap the number of students that register for specific courses, on the basis that it can no longer fund them (Van aswegen *et al.*, 2003: 1). These policies will not be beneficial to previously disadvantaged communities where there are many people from poor backgrounds who are in need of higher education. By restricting access to higher institutions, these policies will further limit academic freedom, and restrict the developmental objectives of the government, especially since the government often complains about the skills shortage in the country.

6.2.3 Policy Option

6.2.3.1 Higher Education Policy Formulation and Implementation

The government cannot prescribe policies for the higher education sector without adequately involving all relevant stakeholders, especially representatives of higher educational institutions, in policy formulation and implementation, because one of the problems of policy implementation is that the officials who implement policies are usually not those who formulated these policies. As a result, intended policy outcomes are not understood and achieved (Pressman & Wildavsky, 1973). It is imperative that representatives of higher educational institutions be involved in higher education policy formulation and implementation because they understand the higher education landscape better as a result of working in that environment. It is important to ensure unanimity among higher education stakeholders on methods of implementing policies; otherwise, various universities could implement similar policies differently. The modalities chosen for transforming higher education and redressing past imbalances must be the same across the higher education sector in order to achieve a uniform level of transformation.

A contradictory policy cannot achieve its objectives, and portrays a government not capable of establishing effective policy. For instance, if the government encourages increased student access and participation rates in higher education, it is imperative that the government do everything necessary to achieve such rates, such as ensuring that sufficient funds are allocated.

6.2.4 Concluding Remarks

The ineffectiveness of higher education policies and the fact that higher institutions are not given sufficient opportunities to contribute to the decisions that impact on them hamper the developmental objectives of the country. Therefore,

higher educational institutions should be given sufficient forum to make adequate contributions to the decisions that government take, which impact on them.

6.3 POLICY OPTION 2: INSTITUTIONAL AUTONOMY AND GOVERNMENT INVOLVEMENT IN HIGHER EDUCATION

6.3.1 Introductory Paragraph

Government intervention in higher education, as mentioned earlier, is considered as undermining the autonomy and academic freedom of universities. However, there are justifiable and unjustifiable reasons for such intervention. It is, therefore, important to balance the autonomy of higher educational institutions and the extent of government involvement in higher education, using well-designed regulations, appropriate values and cooperation among all stakeholders. The university community through the student unions, Higher Education South Africa (HESA) and the Council on Higher Education (CHE), should regularly engage with the government on all matters concerning higher education.

6.3.2 Institutional Autonomy and Academic Freedom

Higher educational institutions, which are established by government legislation, are governed by their own regulations, and each has a university council as its highest governing body. The *Bill of Rights* (16(1)), as contained in the *Constitution of the Republic of South Africa*, 1996, provides for the autonomy, academic freedom and freedom of scientific research of higher educational institutions. These constitutional provisions are operationalised through the formulation and implementation of educational policies.

Institutional autonomy concerns the right of higher educational institutions to decide for themselves on core academic matters, including choice of staff and students and criteria for retaining them in the institution; the freedom to determine the contents of curricula and degree standards; and the freedom to disburse available funds for various purposes. Academic freedom, on the other hand, relates to higher educational institutions' ability to pursue these activities without external interference (Jansen, 2004: 2).

Role players in higher institutions, however, are concerned about the extent of the government's involvement in matters concerning the functioning of universities. They contend that the government interferes too much in higher education matters, thereby putting the founding principles of universities, namely institutional autonomy and academic freedom, in jeopardy. They claim that the independence of universities to determine what to teach is under threat and that the government is almost turning universities into other government departments (Interview, Head of the Department of Philosophy, Rand Afrikaans University, Johannesburg, 19 January 2004; Jansen, 2004; Pityana, 2004(a)).

Higher education policies tend to undermine the right of universities to institutional autonomy and academic freedom. The merger policies violate institutional autonomy, while the funding policies undermine the academic freedom of higher institutions. For instance, the new funding framework prescribes what courses higher institutions can or cannot teach, instructs universities on the number of students to enrol for particular courses, and limits admissions as a prerequisite for adequate funding (Pityana, 2004(a): 2 & 4).

6.3.3 Justification for Government Intervention in Higher Education

The history of higher education in South Africa and in international context, as shown in previous sections, suggests that the government's intervention in higher education is justifiable to an extent, and unjustifiable in other regards.

6.3.3.1 Justifiable Intervention

Government intervention in higher education may be justifiable on the grounds that the transformation of the higher education system, its structures, values and cultures of governance, was progressing slowly. Higher education in the country faced and continues to confront a number of challenges which the government cannot overlook, including the needs to redress past inequalities; to meet pressing national needs; to transform the higher education system to serve a new social order; and to respond to new realities and opportunities (South Africa, 1997a: (s35)).

The transformation process involves redressing the imbalances in the higher education sector, which created an unequal society in terms of standards of education, employment opportunities, unemployment and high level of crime; promoting access and diversity; restructuring and consolidating the institutional landscape of the system of higher education; ensuring a system of higher education which is equitable, productive and sustainable, which according to the Department of Education (2003: 2), "...will be of high quality and contributes effectively and efficiently to the human resource, skills, knowledge and research needs of the country". The *National Plan for Higher Education* (Ministry of Education, 2001) further identifies the following policy goals and strategic objectives as necessary for achieving the overall objectives of the transformation of higher education: ensuring that staff and student profiles reflect the demographic composition of the country; ensuring diversity in the institutional landscape; building high level capacity; and ensuring the erosion of past fragmentation, inequities and inefficiencies so as to create a non-racial, non-sexist and democratic society.

This is a complex matter because although the academic freedom of higher educational institutions is provided for by legislation, the same legislation

provides that institutional rights to autonomy have to be operationalised through the formulation of educational policies. For instance, the *Higher Education Act, 1997* (Act 101 of 1997) mandates the Department of Education to play an active role in the functioning of higher institutions. The Department of Education therefore considers the transformation of governance in the national system and its institutions as its fundamental policy commitment.

The government considers its intervention in higher education through the mergers and incorporation and the new funding arrangements justifiable on the grounds that these measures are all geared towards setting the higher education landscape on a path of higher growth, development and equitable provision of education for all people, and therefore the creation of a better life for all. The government also justifies these initiatives on the following basis: the level of transformation within higher institutions remained slow to make a meaningful impact on the country's democratisation process; the numbers of administrative and academic staff within previously disadvantaged institutions have not increased dramatically; previously disadvantaged institutions do not as yet have sufficient funding to improve their infrastructure or to hire highly qualified personnel; and the funding to higher institutions must be accounted for as it is the government's as well as the tax payers' money. Since universities are the custodians of the country's future leaders, the government believes that they cannot be left alone without taking interest in their products, that is, their graduates, research output and publications (Pityana, 2004: 2 &4).

In view of the contributions of higher educational institutions to the human resource needs of the country, it would, therefore, in practice be unrealistic for them to enjoy absolute autonomy, because their existence and functions impact on various stakeholders, including the universities' staff, students, parents, employers and the government, as well as the country as a whole. Higher institutions are, therefore, accountable to these stakeholders. In that regard, the autonomy of higher institutions cannot be divorced from their commitment to

adequately respond to societal expectations and simultaneously meet the needs of higher institutions (Fourie, 2004: 2). The fact that higher educational institutions have to account for their activities and the money they receive from the state, and the fact that the functions of government include the development of a well-structured and functional system of education, mean that the state cannot overlook the higher education sector. Higher educational institutions are required to be accountable for how they spend public money and to achieve good results with this money, in the public interest. In a sense, public funding of higher education can therefore be considered as a means by which the state fulfils its obligation to support higher education. In another sense, the government is able to direct the system of higher education towards particular targets and goals through the powerful mechanism of funding (Fourie, 2004).

6.3.3.2 Unjustifiable Intervention

The new funding framework violates institutional autonomy as it attempts to prescribe what courses higher institutions can and cannot teach, and to cap admissions as a prerequisite for adequate funding (Pityana, 2004: 2 & 4). The attempt by the government to prescribe to higher educational institutions the courses for which to enrol students is unjustifiable. This tendency to relegate some courses to non-core status has the potential to devalue such courses and, as a result, make them unattractive. Universities should be allowed to decide which courses they want to teach, in collaboration with the government. The capping of student numbers will not ensure better pass rates because there will always be dropouts and students who fail to meet their financial obligations (Coughlan, 2005).

In terms of the new funding framework, the total public funds available to higher institutions is determined solely by the government, without any input from higher institutions, except their contributions through the three-year rolling plans. This is

similar to the old formula in which the higher institutions had no input. In terms of the new funding framework, it is the prerogative of the Education Minister, in line with the *Medium Term Expenditure Framework*, to determine what teaching and research outputs consist of; define what 'disadvantage' means; determine the benchmark ratios for teaching and research development funds; and determine the weightings attached to teaching and research outputs. Various stakeholders have seen the autonomy of higher institutions to be under jeopardy as a result of these Ministerial powers to carry out such far-reaching changes (Council on Higher Education, 2004: 206).

It is necessary to find solutions to the tensions generated by government involvement in higher education matters, so that the aims and objectives of higher education, including finding solutions to the human resource needs of the country and creating a peaceful and equitable higher education landscape are not compromised. Moreover, it will be difficult, as Jansen (Holiday, 2004: 1) warns, for higher educational institutions to regain their autonomy if they lose it. The erosion of this autonomy will not stop unless all the institutions of higher education collectively make their disapproval heard. The challenge ahead is for higher institutions and the state to strike a balance between their respective functions, institutional autonomy and academic freedom.

6.3.4 Policy Option

6.3.4.1 Balancing Institutional Autonomy and Government Involvement

The notions of institutional autonomy and academic freedom, if they are taken to mean doing as an institution pleases, is not possible. At best it can be described as a myth, which has never existed in South Africa or in any other part of the world, because institutional autonomy is not divorced from institutional accountability. For instance, the history of higher education in the country prior to

1994, which reveals a fragmented system of education, necessitates a justifiable level of intervention by the government in order to correct the imbalances of the past and set higher education on a path of growth and development. Furthermore, while the government must preserve the right of higher educational institutions to decide for themselves what they teach and how they teach, higher institutions must be accountable for the public funds they receive. The government's role is to set the policy framework for higher education and to ensure that higher institutions function within the parameters of a national policy framework, while remaining autonomous.

However, the extent of government intervention in higher education becomes a problem when it infringes on academic freedom, especially with regards to which and how courses are taught, and the capping of student numbers. The government should stay away from the details of curricula because interfering in the courses that universities offer constitute an aggressive approach. Although the government has a stake in higher education matters in view of its position as the government, the need to have required graduates to carry out its mandates and because of its financial support to higher educational institutions, government should not take over the traditional functions of universities to exercise academic freedom because such level of interference undermines the foundations of a university.

Higher institutions have to retain their academic freedom and their position as institutions of quality academic programmes, while at the same time accommodating and adhering to the prescriptions of the government. These are two difficult aspects that concerned stakeholders have to keep in balance all the time in order to minimise conflict.

The government has played a significant role in establishing guidelines for the direction of higher education in South Africa as well as in providing funding. The country is therefore moving towards the end of a phase in the history of its higher

education where the government can afford to be relaxed with regards to the functioning of the systems and processes within higher educational institutions and the universities' commitment to the future of the country.

Although the state has a duty to provide strategic direction and develop regulatory frameworks and policies for an effective and efficient higher education system in line with the provisions of the *Constitution of the Republic of South Africa*, 1996, the *Education White Paper 3: A Programme for the Transformation of Higher Education*, 1997, and the *National Plan for Higher Education*, 2001, these objectives can only be adequately fulfilled by the state in partnership with the management of higher institutions and their governance structures (Council on Higher Education, 2004; 2005).

6.3.4.1.1 Cooperative Governance

Cooperative governance implies cooperation and participation among stakeholders. All institutions that perform public functions or that exercise public power, according to the *Constitution of the Republic of South Africa*, 1996, (section 41) must cooperate with each other in good faith and mutual trust, by encouraging friendly relations; supporting and assisting each other; consulting with each other on issues of common interest; upholding agreed procedures; and may not institute legal proceedings against each other. Higher educational institutions are expected to work in cooperation with other stakeholders including the government, national stakeholder bodies, business, student organisations and regional higher education organisations (Council on Higher Education, 2004: 176).

The relationship between the government and the higher education sector, however, does not exist within the framework of cooperative governance. In practice, the state has modified the element of cooperative governance because

the notion of cooperative governance cannot be divorced from the notion of institutional autonomy, academic freedom and public accountability. In that regard, and in line with constitutional and other legislative provisions, the government steers the higher education sector by delegating the administration and management of higher institutions, including financial management, to the higher institutions' authorities while expecting them to be accountable in these regards (Council on Higher Education, November 2004: 176).

Although differences in interests are inevitable in the higher education sector, as in any other sector, the differences within the higher education sector should be negotiated in a cooperative rather than conflicting manner among the stakeholders (Council on Higher Education, 2004: 176). The government should work in close collaboration with the Council on Higher Education, Higher Education South Africa and other relevant stakeholders in promoting the interests of higher educational institutions. This collaboration should be on a partnership basis, where these bodies relate to each other equally. These stakeholders should decide together on higher education matters. It is, however, recognised that in line with constitutional and other legislative provisions, the government may have the final say, based on collective agreements between the stakeholders.

a) Council on Higher Education (CHE)

The main function of the Council on Higher Education, as provided for by the *Higher Education Act, 1997* (Act 101 of 1997) and the *Education White Paper 3: A Programme for the Transformation of Higher Education, 1997*, is to advise the Education Minister on all policy issues pertaining to higher education, both on its own initiative and when the Minister seeks its advice, in the national interest. Its other functions also include consulting with higher education stakeholders; assuring quality within higher education and training, through programme evaluation and accreditation, quality promotion, institutional audits and capacity

building; and contributing to higher education development through research and publications and by giving leadership on important national and systemic issues. These functions can be classified under policy advice, policy monitoring, policy development and policy implementation. The CHE's monitoring role is executed through the regular reports it produces on the state of higher education in the country. Its policy development and implementation functions are carried out mainly in the domain of quality assurance, though it has found itself at the request of the Department of Education, performing policy development functions outside its principal domain (Council on Higher Education, 2004-2005).

The advisory role granted the CHE has thus far not been very effective. The Council does not seem to have much influence on the government's policies and other interventions in higher education. As the function of the CHE is mainly to advise the Education Minister on higher education matters, the Education Minister not only has the power to constitute the CHE, but also to disregard the CHE's advise as well (Molatlhegi, 2002: 356). The Education Minister, by implication, holds absolute powers which constitute a threat to institutional autonomy and academic freedom. The Council on Higher Education should be a credible avenue through which the views of higher education institutions are passed on to the Education Minister. The CHE should firstly present the views of the stakeholders to the Education Minister, and based on those views, advise the Education Minister on how best to further the interests of higher educational institutions.

A possible solution to this problem is to constitute an executive body that includes representatives from the government, higher education institutions through Higher Education South Africa (HESA), the Council on Higher Education and the student unions, whose role would include both advisory and decision-making powers, in cooperation with each other.

b) Higher Education South Africa (HESA)

Higher Education South Africa (HESA), a committee of Universities' Vice Principals, was established in 2005 as a result of the merger between the South African Universities Vice Chancellors Association (SAUVCA) and the Committee of Technikon Principals (CTP). Prior to the merger, the heads of higher educational institutions through SAUVCA and CTP engaged with the government and the Education Minister on matters concerning the higher education sector and in relation to the country's development processes.

HESA is not a statutory and formal body and it is in the process of constructively determining what role it will play in the higher education sector. Since it is made up of the heads of universities, it should have a major role in advising the Education Minister on higher education matters, representing the views of the higher education sector at its meetings with the Minister and the Council on Higher Education, and giving constructive input to the government on higher education matters. The engagement should be constructive, and the Department of Education should also allow its policies, views and vision to be enriched by inputs from the major role players within the higher education sector.

It is proposed that HESA should become a statutory body since it has an important role to play in higher education matters; this status would enable the Department of Education to adequately address HESA's proposals.

6.3.5 Concluding Paragraph

Higher educational institutions may not be able to have absolute autonomy and academic freedom because their activities affect a number of stakeholders, including students, parents, staff members, the government and the country as a whole. Furthermore, universities derive about 50 percent of their income from the

government. They need to account to these stakeholders for their activities. The balancing of the roles and functions of universities and the government should be guided by well designed and implemented regulations and by cooperation among various stakeholders, in which their interests are considered in a way that reflects the values, principles and demands of a growing economy.

6.4 POLICY OPTION 3: MERGERS AND INCORPORATION

6.4.1 Introductory Paragraph

The problems of excess staff and culture integration, which remain after the mergers and incorporation discussed in this thesis, have not been resolved. A number of academic staff members at Tshwane University of Technology, for instance, were made redundant as a result of the abolition of duplicate programmes and faculties. The cultures of the merged and incorporated institutions must be integrated in order to eradicate the complications associated with culture differences. Affected institutions, with assistance from the government must implement strategies that promote culture integration in order to avoid discriminatory tendencies and to ensure the protection of fundamental human rights and equal opportunities.

6.4.2 Outstanding Problems on the Mergers and Incorporation

The merger and incorporation processes were unsettling for the higher educational institutions involved. Although most of the complexities that resulted from the processes have been resolved satisfactorily, the following difficulties persist and need to be resolved, as they are fundamental to successful mergers and incorporations:

- Excess Staff and
- Culture Integration

6.4.2.1 Excess Staff

The merger process resulted in excess staff which the new universities, such as the Tshwane University of Technology did not need. With the abolition of duplicate departments and faculties, fewer staff members are needed to perform the academic functions of the newly formed universities.

6.4.2.2 Culture Integration

Prior to 1990, the South African higher education sector consisted of segregated higher institutions, as shown in the third chapter of this thesis. The democratisation of the country brought an end to this trend and provided for interracial and intercultural system of higher education in which staff and students are free to seek employment and admission into any higher educational institution of their choice. The mergers and incorporation further facilitated the process of interaction among various races with the coming together of previously advantaged and previously disadvantaged groups.

Developing a new institutional culture and ethos out of the disparate communities, identities and institutions that were merged or incorporated with their own ways of doing things, however, remains a critical challenge. The merged and incorporated institutions had different institutional cultures, which have not been integrated. For instance, the University of Pretoria is a well managed institution with a highly managerial approach, while Vista was more relaxed in its management. At Vista there was a strong bottom-up culture in which students' opinion were largely considered, while the executive has always been in control at the University of Pretoria. Furthermore, taking historical influences into account, the University of Pretoria is a historically white institution

with Afrikaans as its prominent language, while Vista was a typically black institution without any white students and English was the principal mode of communication (Interview, Vice Principal, University of Pretoria, 29 April 2005). The institutions that currently constitute Tshwane University of Technology had different management styles and different missions, visions and values. While Technikon Pretoria had a hierarchical management style, Technikon Northern Gauteng and Technikon North West had a more consultative and participatory approach (Interview, Director, Strategic Management Support, Tshwane University of Technology, 18 April 2005). At the University of Kwa-Zulu Natal, the challenges of racial and cultural differences remain and need to be addressed adequately in order to build a university that can be referred to as truly South African.

Higher institutions are also faced with the following challenges relating to culture integration:

- staff and students still function in groups, and unity in diversity must be fostered on the staff and student level;
- mutual respect, trust and tolerance must be created;
- ideological differences persist, because the student pool draws on various political parties with their own ideologies; bringing these groups together creates difficulties which need to be managed;
- each group must be helped to understand the way of life of other groups because, as a result of attending lectures together, living in the same residences, sharing amenities and participating in other activities such as sports, people indirectly belong to other cultural groups aside from their own particular cultural, ethnic, racial or political groups (Moraka, 2001: 31); and
- the Affirmative Action policies of the government have resulted in resistance to change among the previously advantaged groups who consider the policies as discriminatory; this attitude must be addressed,

and these groups helped to understand that affirmative action is the government's attempt to overcome the inequalities of the past in the workplace (Rossouw, 2002: 95).

These challenges of culture integration have to be addressed in order to effect real integration, because inadequate integration of these cultures reflects negatively on the identity of affected universities.

6.4.3 Policy Options

6.4.3.1 How to resolve the problems of excess staff and integration complexities

Adequate measures should be taken to ensure that excess staff members do not become redundant. It is therefore proposed that the excess staff should be earmarked for other academic or non-academic positions or retrained for positions where there are skill shortages within the university community.

The merger or incorporation of higher educational institutions, on its own, does not automatically integrate cultures without the implementation of strategies that encourage racial integration, which would also ensure the protection of fundamental human rights such as respect and equal opportunities.

Universities need to devise teaching programmes and counselling services to assist staff and students to achieve real integration. Such programmes should include how to understand other cultures and coexist with other races in harmony. In conjunction with the university's administration, student unions can also play important roles in the design and implementation of such programmes. Since the government initiated the mergers, the onus lies with the state to provide the funds needed for integration programmes. The creation of a

welcoming atmosphere within the university environment can also facilitate the integration process. An understanding of the culture of the institutions concerned is also essential for the integration process (European Student Convention, 2003: 3).

Since all registered students should have access to the internet, this medium can be useful in providing the information necessary for efficient and effective communication with staff and students on culture integration. It is easy and effective to reach all staff and students through electronic media. It is, therefore, recommended that university administrations favourably consider this means of enhancing culture integration.

There must be nationally instituted cultural integration policies and structured programmes to assist staff members to cope with multicultural students (South African Human Rights Commission, 1999: 5). Student residences are not adequately integrated. At the University of Pretoria, for instance, mainly black students occupy Protea Residence.

Having students from the satellite campuses attend lectures on the main campuses can enhance culture integration. But this has resulted in difficulties. For instance, students from the previously disadvantaged campuses such as the former Vista Mamelodi Campus, Technikon Northern Gauteng and Technikon North West are reluctant to come to the main campuses as a result of transportation problems and their preference for cheaper accommodation.

Closing down the satellite campuses and bringing all their staff and students over to the main campuses could enhance the integration process. This may, however, lead to job losses among excess staff, and the students at the satellite campuses may not be able to afford such a shift.

The differences in the institutional cultures of the merged and incorporated institutions must be analysed, as has been done at Tshwane University of Technology. Such an analysis includes the attitudes of both staff and students. The outcome of this cultural audit process will enable the institutions' stakeholders to understand the extent of the differences and similarities that exist among them, and enable them to chart a new course of relations for the future.

The success of culture integration depends largely on sincerity among the various groups that constitute a university community. It calls for willingness to embrace the changing dynamics within the higher education sector.

6.4.4 Concluding Paragraph

Redundant staff members should be earmarked for other positions or given attractive exit packages. It makes no sense to keep employees when they do not have work to do as this not only affects their morale, but also makes them unproductive. It is necessary to address culture integration difficulties so that the new universities are not perceived as having disparate cultures within one institution. Strategies for culture integration include nationally instituted cultural integration policies, structured programmes to assist staff members to cope with multicultural students, counseling services and teaching programmes to assist staff and students embracing real integration. This will include how to understand other cultures and coexist with other races harmoniously.

6.5 POLICY OPTION 4: FUNDING HIGHER EDUCATION

6.5.1 Introductory Paragraph

Reduced funding to higher educational institutions may prevent the realisation of the government's objectives for increased student access and participation rates.

It will thus not help growth and development in the economy. The government needs to desist from its student quota system for higher education, which renders a number of courses unattractive and defeats the quest for equal opportunities for all. Specific consideration should be given to addressing students' accommodation needs and the needs of multi-campus universities in the allocation of funds.

6.5.2 Funding Problems

Since 1990, the system of higher education in the country has undergone a series of policy and transformation initiatives aimed at redressing the imbalances of the past, giving more people opportunities for higher education training and setting higher education in South Africa on a path of growth and development. The reduction in funding allocations to universities, however, may hamper the realisation of these objectives. The public funds that the government allocates to higher education annually amount on average to about 50 percent of higher educational institutions' annual income (Tshwane University of Technology, 2005(b): 2). Although education in general receives almost the largest chunk of the national budget, and the funding of higher education by the government has been relatively stable as a percentage of the Gross Domestic Product, there has been a progressive decrease in higher education funding since 2000 in spite of the fact that student participation in higher education programmes has doubled (Pityana, 2004: 13).

6.5.3 Problems of Funding and Institutional Autonomy

In terms of the new funding framework, the government alone determines the total public funds available to higher institutions, without the input of universities, except their three-year rolling plans. This is similar to the old formula in which the higher institutions had no input (Council on Higher Education, 2004: 206). In terms of the new funding framework, the Education Minister, in line with the

Medium Term Expenditure Framework, determines teaching and research outputs; defines what 'disadvantage' means; determines the benchmark ratios for teaching and research development funds; and determines the weightings attached to teaching and research outputs. The extent of Ministerial powers to determine the funding allocations to universities and to carry out such far-reaching changes jeopardises the autonomy of higher institutions (Council on Higher Education, 2004: 206).

6.5.4 Problems with the Quota System

The government's funding policy remains a paradox. It requests universities to cap the number of student enrolments because it cannot fund uncontrolled growth. The policy further applies a formula that encourages universities to produce graduates in specific fields which the government considers as beneficial to the developmental agenda of the country. At the same time, however, the government demands equity and access, an increase in student intake of previously disadvantaged individuals and more opportunities for deserving students (Van Aswegen *et al.*, 2003: 1).

This trend further minimises the importance of certain courses. This is an unfortunate development because some of these courses, such as history, philosophy and ethics are important to the development of personal values and integrity, yet so downplayed that students do not consider them as viable courses. This is particularly problematic because society is currently characterised by the absence of authentic lifestyles. The moral laxity in the world today is largely due to the relegation of religion, ethics and other value-driven courses to the background. As a consequence, the work environment and society at large are characterised by unethical behaviour. The government's policies for determining the types of courses that are needed in the economy do not encourage a value-driven society. Rather students and the workforce are driven by the desire to acquire the kinds of degrees that enhance income

generation ability to the detriment of courses that enhance human qualities. This is a paradox because the same government has for a number of years recognised the fundamental problems in society, and, as a result, embarked on a moral regeneration strategy, the promotion of professional ethics and even considered a Bill of Morals to guide the country. The government's ethics and anticorruption strategies show that it is aware of the extent of the moral dilemmas in society, yet the value-led courses in our schools and higher educational institutions do not receive the priority they deserve.

6.5.5 Provision for Specific Institutional Needs

The new funding framework does not make provision for the specific needs and requests of individual institutions based on their particular circumstances. It also does not make specific provisions to address students' accommodation needs and institutions operating in a multi-campus situation (Interview, Chief Financial Officer, Tshwane University of Technology, 24 March 2006). This is a flaw in the framework which has to be corrected.

a) Student Residences

The matter of residences is not adequately addressed in the new funding framework because the government does not make specific provision for them. The old funding formula provided for the funding of residences on the basis of the number of students in residence (Interview, Chief Financial Officer, Tshwane University of Technology, 24 March 2006). This was used to calculate an annual subsidy for improvement of land, replacement of equipment and renovation of buildings. The new funding framework, however, does not provide allocations to residences. The lack of provision affects mostly those residences located in rural or underdeveloped areas. As a result, "...it must now be cross subsidized from the block grant for tuition as most of the residences are built on

campus and cannot be sold off, nor can this service towards students just be terminated” (Tshwane University of Technology, 2004(d): 1).

b) Multi-Campus Universities

The new funding framework does not make provision for multi-campus institutions. After the merging of various institutions and campuses, affected higher institutions should get bigger allocations (Interview, Chief Financial Officer, Tshwane University of Technology, 24 March 2006). In that regard, the framework should be amended to provide for multi-campus universities.

6.5.6 Policy Options

6.5.6.1 Promoting Values Driven Courses

The government needs to collaborate with universities in determining the kinds of courses that enhance developmental processes and ensure that the graduates that are trained to drive economic growth and nation building acquire a balanced education. It is important to equip graduates to contribute to the economy, be employable and show entrepreneurship. However, it is equally important to ensure that higher educational institutions produce responsible graduates who are well rounded and possess social conscience. The system of higher education cannot afford to produce graduates who are not adequately equipped to find solutions to the country's social and economic challenges, such as poverty, violence, crime, substance abuse and disease. Graduates must not simply be equipped to amass fortunes, but to concern themselves with improving quality of life for all, while not neglecting their own interests in the process (Mokadi, 2004: 6).

6.5.6.2 Funding Higher Education

Two more blocks should be added to the funding framework to provide subsidy for student residences and multi-campus universities. This will ensure that specific allocations are reserved for these purposes.

The funding of universities on cost basis should be investigated as an alternative approach, because it establishes the needs of universities that require funding. In the past, higher educational institutions provided the government with estimates of their budget needs. They provided the Department of Education with a three-year enrolment plan, which also included an audited number of student enrolments. These figures were in many cases inflated with the hope that the Department of Education would allocate the amount of funds closer to the institutions' actual funding needs. This should not deter the government from meeting universities' funding requirements since it is possible to determine the authenticity of proposed costs by verifying the information that these universities supply.

Through this process, the government can rectify the imbalances of the past to previously disadvantaged institutions, while at the same time provide for the needs of previously advantaged institutions to ensure that they retain their high level of development. Since one of the aims of the mergers and incorporation is to ensure that the standard of higher education across all institutions is improved and to provide the kinds of graduates that are able to meet the developmental needs of the country (South Africa, 1997: 35), the funding of higher education should be based on costs. The government often refers to the shortage of certain professionals in the country, such as engineers, scientists and managers. The economic development agenda of the government for a six percent growth in the economy cannot be achieved without these kinds of specialized skills. It may not be possible to achieve these objectives if the government through the funding framework continues to cut funding for research to higher educational institutions.

Since research universities play a crucial role in determining areas of growth and development, it is important that the government devotes substantial amount of money to research initiatives and the development of higher educational institutions.

The government needs to allocate more money to higher educational institutions because subsidy cuts would not enhance the government's policy agendas for redressing the imbalances of the past, the higher education's transformational need for increased access and equity, and the promotion of a higher education sector which is able to meet the development needs of the country. The subsidy cuts would also not enable the rendering of sufficient essential services to previously disadvantaged groups. Specific attention should be given by the government to upgrading and developing the facilities and infrastructure of the satellite campuses of the merged and incorporated institutions such as the former Vista Mamelodi Campus, Technikon Northern Gauteng and Technikon North West.

6.5.6.3 Need for Participatory Decision-Making in the Allocation of Funds

The government's lack of adequate consultation with higher educational institutions in the determination of financial allocations is a concern that should be adequately resolved between the state and the higher education sector and stakeholders, such as the Council on Higher Education and Higher Education South Africa, in a process of engagement.

The government or the Department of Education cannot alone determine the higher education funding strategy because the matter concerns various higher education stakeholders, including the management of universities, staff, students, parents and even the government itself. Since it concerns all these stakeholders, a consideration of their interests has to be taken into account equally. All relevant stakeholders must be involved in the process of determining

allocations to higher institutions. It is obvious that having these stakeholders together in the determination process creates room for debate, conflict and difficulty in reaching decisions. It is suggested, therefore, that the determination process should take place under a 'veil of ignorance'.

The veil of ignorance is a bargaining process in which all stakeholders are free to offer their proposals and reject others until they arrive at a unanimous decision. In this process, participants assume no knowledge of the status, influence, sex, ability and ties of other participants. They however understand societal issues, political affairs, human psychology and economic principles (Rawls, 1971: 137). This process is important as it enables the participants in the negotiation process to objectively consider the interests of all stakeholders and arrive at a unanimous decision.

There are a number of assumptions that the stakeholders need to be cognisant of in the process of negotiation. These include:

- disagreements among participants cannot be avoided especially since attempts to find rational basis for held interests lead to differing opinions. These opinions further lead to disagreements that are defensible and justifiable.
- dialogue can produce solutions when conflicting views are creatively harnessed to produce morally sensitive solutions. The participants also have to be committed to finding solutions to the problems.
- it is futile to focus on the motives underlying the viewpoints of participants. Rather participants should concentrate on finding solutions that take the concerns of everyone into account (Rousseau, 2002: 74-76).

The decision-making process should consist of the following steps:

a) Generate and Evaluate Arguments

In the decision-making process, arguments that meet the following criteria are taken into account:

- The argument should take the interests of everyone into account;
- The arguments should be clear and intelligible to everyone; and
- The facts of the argument should be logically coherent and correct.

b) Identify Implications

The focus should be on the positive and negative implications of the different arguments, and not on participants' motives and moral convictions.

c) Find Solutions

There should be cooperation among participants in looking for solutions that retain the positive aspects and keep negative implications to a minimum (Rousseau, 2002: 77).

6.5.7 Concluding Remarks

The government needs to add two more blocks to the funding framework, which specifically address students' accommodation needs and the needs of a multi-campus university. The funding of higher education should be on the basis of costs, and not on the basis of the Education Minister's determinations alone. Higher institutions must be involved in all matters relating to their funding, not only the inputs they make through three-year rolling plans. The government, higher education representatives and the Council on Higher Education should take decisions jointly, to the satisfaction of all stakeholders.

6.6 FURTHER RECOMMENDATIONS

6.6.1 Introductory Paragraph

This section suggests a number of recommendations to further ensure a system of higher education, which is able to meet the needs of a developing economy, and promotes access and equal opportunities for all qualified graduates and students seeking admission. The recommendations are the establishment of:

- an office for indigent students at the Department of Education;
- a higher education performance bonus;
- a special budget;
- a higher education sentencing framework;
- a higher education vetting unit; and
- an ethics and integrity office within all higher institutions.

6.6.2 Establishment of the Office for Indigent Students at the Department of Education

An office for indigent students should be established at the Department of Education to ensure that the Constitutional provision of education for all is realized. Since higher institutions are not able to provide all students with the funds needed for tertiary education, the government should ensure that all applicants who meet university entry requirements get the opportunity of university education. Universities should offer financial assistance to students who meet their requirements for bursaries and scholarships, and all students who meet university entry requirements, but not university requirements for financial assistance should apply to the Department of Education for financial assistance.

The office should have personnel who go out to corroborate the information that students applying for financial assistance provide. Applicants should not be denied the opportunity that higher education offers if it is established that they cannot fund their studies.

6.6.3 Creation of a Higher Education Performance Bonus

A higher education performance bonus should be created by the Department of Education to reward those universities that meet the objectives of the government as contained in various policies such as producing high quality graduates who are able to contribute meaningfully to the development goals of the country; transforming significantly in meeting equity targets; and producing high quality research.

6.6.4 Creation of a Special Budget

The government and higher education stakeholders need to take stock of what higher institutions need to ensure an efficient and effective higher education system. It is recommended that a special budget be created by the government for balancing the financial state of all universities in the country, and in the process, giving them a fresh start. Once the special budget is created, a proposed Higher Education Sentencing Framework (HESF) can hold the management of universities and heads of departments liable for whatever goes wrong within their areas of control, especially if they have failed to put necessary measures in place to prevent problems.

6.6.5 Establishment of a Higher Education Sentencing Framework

The Higher Education Sentencing Framework (HESF) will prosecute leaders and management who fail to put adequate measures in place to ensure that problems

are foreseen and adequate measures put in place to prevent the occurrence of such problems.

The Higher Education Sentencing Framework should be administered by the Department of Education. The regulation should consist of appropriate discipline for the management of higher institutions or heads of department who fail to put appropriate measures in place to ensure that their areas of leadership and management operate efficiently. The essence of this regulation is that it holds individuals responsible for the failures that occur within their areas of influence. The heads of department and management are therefore encouraged to take appropriate steps to control problems that are noticed before they escalate. Such problems include financial mismanagement or crises, staff and student unrest, strikes or protests, disruption of academic activities, provision of necessary amenities or infrastructure, ensuring a safe and conducive teaching and working environment, prevention of discriminatory practices, ensuring that students attend at least 70 percent of their classes, and payment of tuition fees.

The objectives of this regulation include deterrence, to encourage the reporting of wrongdoings or the failure to prevent problems, to provide just punishment and to encourage officials to take adequate steps to identify and prevent occasions of misbehaviours within higher institutions. The regulation should provide for the following punishments: suspension, termination of appointment, fines, probation and even imprisonment.

6.6.6 Establishment of a Higher Education Vetting Unit

A Higher Education Vetting Unit should be established at the Department of Education. The Unit should be responsible for verifying the background and information given by students who are applying for financial assistance from the

Education Department, to ascertain that these students are really in need of financial assistance.

The vetting process could consist of computer-based checks to search for information about an applicant, as well as site visits to individual's homes and (former) institutions for further information on the applicant in order to verify the identity of each applicant as well as establish the authenticity of the applicant's need. The check should include criminal records as well. Vetting will only be carried out with the consent of the applicant, but applicants who refuse to be vetted will be excluded from further consideration for financial assistance. The Minister of Education or the deputy has the discretion to grant final approval for financial assistance to both applicants who pass the screening process as well as those who fail the process.

In making decisions on applicants who have criminal records, the Department of Education needs to consider the following:

- the nature of the findings and their relevance to the application for financial assistance;
- when the crime was committed and the circumstances leading to the commission of crime; and
- the seriousness of the offence and pattern of offence (New Zealand Police, Undated: 2).

The results of the vetting should be securely stored until no longer useful for the purpose for which they were collected. The information should then be shredded or burnt to ensure its safe disposal. In the interests of justice and fairness, applicants who were not successful in their applications for financial assistance should be given reasons in writing as well as the opportunity to view any criminal records and correct any misinformation that may have been generated.

6.6.7 Establishment of an Ethics and Integrity Office within all Higher Educational Institutions

Ethics concerns what is good or right in human interaction (Rosseau, 2002). It is a consideration of the interests of various stakeholders, taking into account organisational principles and values. The history of higher education in South Africa, which shows an imbalanced system of education, and the current government's subsequent transformation initiatives aimed at rectifying these imbalances and setting higher education on a path of growth and development, shows that ethics has a central role to play in realising a transformed higher institution sector characterised by equity and justice and which offers all citizens the opportunity to realise their dreams of a better life.

Unethical conduct occurs from the top management of an organisation to the lowest member of the institution. Various individual and organisational characteristics contribute to unethical and immoral behaviour. In the higher education sector, this is apparent in student issues relating to access and financial support, and employee issues relating to recruitment and selection, salaries and conditions of service, performance, discrimination and harassment.

Since unethical conduct is a problem in the higher education system, an Ethics Office is proposed to promote and enforce a culture that not only supports ethical behaviour, but also defines and underpins right and wrong conduct at the institutional level. The government and universities should shoulder the responsibility of offering ethical and moral guidance to staff and students on what they should do in various circumstances.

6.6.7.1 The Ethics Strategy

An ethics strategy is born out of the need to respect people's worth and dignity and ensure good management and administration strategies. The process of

managing the strategic change effort to make ethical and moral behaviour a fundamental component of corporate culture is a complex but necessary exercise. It involves firstly, the process of assessing a university's climate and corporate culture, with the aim of correcting any dysfunctional elements. A self-assessment exercise, otherwise known as a liability inventory, is necessary to determine the kinds of measures that are needed to address the concerns and risks that an organisation faces (Hoffman, Driscoll & Painter-Morland, 2001: 43).

The ethics programme within a university must embark on an extensive organisational effort to establish and maintain a tradition of integrity within the institution. Such an effort should consist of an ethics framework to ensure that a good ethical environment is nurtured and maintained; an integrity framework to ensure that the organisation limits its exposure to unscrupulous employees and vendors/suppliers; and a control framework to ensure that an effective control environment is maintained to limit opportunities for fraud and corruption and to punish transgressors, and collaboration with various stakeholders (South African Revenue Service, 2005).

An ethics programme which aims to promote ethical and moral behaviour within the university community and to make such behaviour a fundamental component of corporate culture will ensure that:

- higher institutions' leadership and management come to terms with the role of ethics in their conduct and decision-making processes and outcomes;
- staff and students are made aware of the purpose of the ethical codes and the procedures for monitoring conduct, reporting misconduct and enforcing the university's policies and standards;
- employees are guided towards ethical decision-making;

- staff and students are given the opportunity to correctly identify and discuss ethical issues and vulnerable areas within the university environment; and
- ethical behaviour within the university community is monitored and enforced.

The whole ethics strategy should promote the integrity of the university and its staff and students. To that effect, and in line with the King Report on Corporate Governance (Institute of Directors, 2002), the following steps should also be taken:

- assessing new appointees' integrity in selection and promotion processes;
- developing, monitoring and enforcing the code of ethics;
- responding to offences and preventing reoccurrence;
- enforcing appropriate discipline in a consistent manner; and
- providing monitoring and audit safe systems for reporting unethical behaviour.

6.6.8 Concluding Remarks

The ineffectiveness of current higher education policies and the fact that higher institutions are not given enough forums to contribute to the decisions that impact on them may not enhance the developmental objectives of the country. The preceding sections considered a number of remaining problems that emanated from the government's intervention with a view to generating policy options. Higher educational institutions may not be able to exercise absolute autonomy and academic freedom because their activities affect a number of stakeholders, including students, parents, staff members, the government and the country as a whole. Furthermore, universities derive about 50 percent of their income from the

government. They need to account to these stakeholders for their activities and how they spend public funds. The balancing of the roles and functions of universities and the government should be guided by well-designed and implemented regulations and by cooperation among various stakeholders, in which their interests are considered in a way that reflects the values, principles and demands of a growing economy.

Redundant staff members should be earmarked for other positions or given attractive exit packages. It makes no sense to keep employees when they do not have work to do as this not only affects their morale, but also makes them unproductive. Culture integration difficulties must also be addressed so that the new universities are not perceived as having disparate cultures within one institution. Strategies for culture integration include nationally instituted cultural integration policies, structured programmes to assist staff members to cope with multicultural students, counseling services and teaching programmes to assist staff and students embracing real integration. This will include understanding other cultures and coexisting with other races harmoniously.

The government needs to add two more blocks to its funding framework, to specifically address students' accommodation needs and the needs of multi-campus universities. The funding of higher education should be allocated on the basis of costs, and not on the basis of the Education Minister's determinations alone. Higher institutions must be involved in all matters relating to their funding, not only in their three-year rolling plans, and decisions should be taken jointly by the government, higher education representatives and the Council on Higher Education, to the satisfaction of all stakeholders.

The recommendations made in this chapter will help to realise a transformed higher education sector, which is able to meet the demands of its people and the economy, be accountable and committed to professionalism and enable all stakeholders to realize their potential. The recommendations include

establishment of the office for indigent students at the Department of Education, a higher education performance bonus, a special budget, a higher education sentencing framework, a higher education vetting unit, and ethics and integrity office within all higher educational institutions. The government needs to grant higher institutions more autonomy in deciding what they teach and how they run their institutions, so that their identity is not compromised.

6.7 SUMMARY AND CONCLUSIONS

The preceding chapters have addressed the objectives of this study. This section recapitulates these objectives and how they have been addressed. The **primary** objectives of the study were to:

- consider the theoretical foundations of Public Administration and specifically public policy;
- examine the international context within which higher education in South Africa operates;
- examine the South African higher education context, policy processes and the reasons for government intervention in higher education;
- explore how these reasons relate to the process of transforming higher education;
- examine the implications of the mergers and incorporation for higher educational institutions;
- examine the state of higher education funding and its implications for institutional autonomy and academic freedom;
- examine the implications of government intervention in higher education in other areas such as the determination of what universities may teach and student admissions;
- set out the problems resulting or that could result from such level of intervention;

- evaluate the claim that the autonomy of higher educational institutions is under threat as a result of government intervention; and
- establish how to enhance cooperative governance between universities and government.

The **secondary** objective was to identify the best policy options that the government and higher educational institutions could adopt as alternative solutions to the problems identified in the research, and that could facilitate the realisation of a system of higher education that redresses the imbalances of the past, meets the developmental needs of the country and protects higher education's institutional autonomy and academic freedom.

Chapter one of the thesis outlined the frame of reference and problem statement, the aims and objectives of the research, and the research methodology. The chapter further outlined the structure of the study and the time frame in which the research would be conducted. It explained and defined key concepts and terminologies employed in the research.

The second chapter of the thesis reviewed relevant literature on Public Administration. The research question addressed in the chapter is the theoretical foundations of Public Administration and specifically public policy, especially since policy options are considered in the main thesis. The chapter revealed that Public Administration studies the mechanisms for developing and implementing public policy and that government intervention in higher education is a public policy attempt to improve higher education in South Africa. The chapter further showed that public policy-making is necessary for any government or organisation that hopes to accomplish particular objectives. A policy is a significant course of action, which a private entity, public organisation or influential person has chosen, and which impacts on many people. The study of policy relates to the way organisations function, and how they should be steered.

Policy analysis relates to determining which of the various public policies' alternatives will achieve determined objectives.

The chapter revealed that policy making and implementation are complex activities, especially as they involve a consideration of the interests of various stakeholders or interest groups. Policy makers confront the challenge of how to design policies that achieve determined objectives, while being able to adequately deal with resistance to implemented policies, group conflict and political change. Lobbying among various interest groups may hamper successful policy implementation. A policy analyst should be involved in policy formulation, analysis, identification of policy alternatives and the offering of advice on their implementation, since many of the complexities of policy implementation result from the fact that those who implement policies might not have been involved in formulating them. Policy analysts should be competent, discreet, honest, loyal and diligent in order to remain objective and fair in the way they carry out their analytic work. They should be able to balance the interests of all stakeholders in a way that reflects organisational values and principles.

Chapter three was a case study review of trends in higher education. The research questions examined in the chapter were the international context within which the system of higher education in South Africa operates, since this system was adapted from international best practices, the South African higher education context and policy development processes, the reasons for government intervention in higher education, and how these reasons relate to the process of transforming higher education.

The chapter revealed two trends within higher education internationally, which are paradoxical. These are the government's interference in higher education processes, and its commitment of less funding to higher education. In the past, governments around the world were the largest financial contributors to higher education sectors. Currently, however, governments have justified their gradual

financial disengagement citing shrinking national revenue, and the need for universities to source funds for themselves. The shrinking income has led to disarray within higher educational institutions, with negative consequences for academic outputs. Although governments are currently showing renewed interests in the development and strengthening of higher education, the years of neglect have caused substantial damage to higher education sectors. Although there are several international examples of successful higher education programmes and processes, many governments and heads of higher educational institutions lack adequate systems and strategies for improving their institutions' operations and impact.

The chapter explored a number of cases in which governments worldwide

A number of countries, including Nigeria, Britain and Brazil are attempting to improve their systems of higher education by allocating more funds to them, providing better salary packages for academic members and allocating more funds per student. Furthermore a number of international organisations are allocating resources to higher educational institutions to improve administrative operations and scientific equipment, and to strengthen information technology. Such organisations include the Africa-American Institute and the United Nations Education and Scientific Organisation (UNESCO). These initiatives, however, are not sufficient to resolve the financial difficulties that many universities worldwide face.

In the South African higher education context, the chapter revealed that although the higher education system is considered to be the best in Africa for being well resourced and producing internationally competitive teaching and research capacities, the same system of higher education has nonetheless contributed largely to the slanted nature of higher education in the country.

The chapter traced the history of higher education in South Africa and relevant policy developments. Prior to 1994, the system of higher education was fragmented, and lacked common goals, systemic planning and coordination. These problems persisted after 1994 as shown by ideological differences, resistance to change, and the minimal extent of social interaction among students of various races. The system of higher education is further confronted with the challenge of redressing past inequalities, meeting pressing national needs and responding to new realities and opportunities. As a result of these problems, among others, the government intervened in higher education in order to restore order, reorganise the system of higher education and ensure that higher institutions comply with the new regime of academic regulations. Higher educational institutions are also expected to account for their performance in terms of equity, efficiency and effectiveness.

The government attempted to achieve these aims of a transformed system of higher education through various measures such as:

- establishing relevant legislation and policies, including the *Education White Paper 3: A Programme for the Transformation of Higher Education, 1997*, and the *National Plan for Higher Education, 2000*;
- proposing mergers and incorporation of higher institutions;
- promoting certain disciplines or subjects for more funding in the universities subsidy formula;
- requesting a process of quality assurance which requires higher institutions to openly declare their academic progress; and
- establishing five key pillars of the new higher education framework, namely: a single nationally coordinated system of higher education; increased access and raised participation rates; increased responsiveness to societal and economic needs; programme differentiation and the development of institutional niche areas; and a planning and coordination imperative.

Numerous changes are occurring within the higher education sector, which aim to prepare the higher education system to meet the challenges confronting the country in the political, social and economic spheres. Relevant stakeholders identified governance, equity and financial resources as imperatives. Efforts to address these issues have created uncertainties around the higher education funding formula, and within higher educational institutions on how to source sufficient funds to meet the expectations of stakeholders to produce well resourced graduates able to meet the developmental challenges of the new democratic dispensation:

The chapter revealed that the higher education policies that the government has put in place since 1994 have not been able to adequately address the higher education challenges. These policies contradict themselves. For instance, the

government emphasises the need to ensure that all citizens have access to quality education, but at the same time demands the control of student enrolments and the courses that higher institutions may teach. The chapter posited that contradictions of this nature should be avoided in order to adequately resolve the challenges of higher education in South Africa. The chapter further noted that although the government and higher educational institutions are pulled apart by their desire for institutional autonomy, they, however, find themselves in closer alliance as a result of their shared desire to serve national economic interests.

Chapter four, within the context of the main theme of government intervention in higher education, and in line with the research objectives, examined the mergers and incorporation of higher educational institutions in South Africa and their implications. In this regard, the following were examined: the government's objectives for the mergers and incorporation; how they were executed, with specific reference to the processes at the University of Pretoria, Tshwane University of Technology and the University of KwaZulu Natal; the reactions of higher educational institutions to these processes; and the problems that resulted or that could result from government intervention in higher education.

The reasons for the mergers and incorporation include the need to overcome the imbalances in the former system of education; to promote efficiency and effectiveness; to meet the needs of a developing economy; and to reduce overlap and duplications in academic programmes.

The mergers and incorporation drew reactions from higher educational institutions around the country. While a number of these institutions feared that the processes would lead to a drop in academic standards, others feared that the well-established higher educational institutions would dominate them. The government, however, took steps to ensure that the adverse effects of the processes were minimised or prevented and that the outcome met the demands

of all stakeholders and the economy. The steps included the establishment of a merger office at the Department of Education and provision of support for merging and incorporating institutions and monitoring the implementation processes.

The University of Pretoria and Vista Mamelodi campus agreed to cooperate with each other and to refer unresolved disputes to the Central Incorporation Committee (CIC), to the Joint Management Committee (JMC) should the CIC fail to resolve the dispute, or to the Vice Chancellors of these institutions should both the CIC and the JMC fail to resolve any dispute. If the Vice Chancellors failed to resolve the dispute, the Councils of the two institutions would be approached to find a solution to the problem.

At the Tshwane University of Technology (TUT), the merger process was carried out in a consultative and participatory manner, with the involvement of relevant stakeholders and in line with the national government's merger guidelines. Prior to 1 January 2004, the three institutions that currently constitute TUT embarked on pre-merger activities. The activities aimed to determine the state of these technikons, including available infrastructure, programmes on offer, financial procedures and processes, numbers of staff and students, duplicated academic programmes, student support programmes and cultural differences among staff and students. They agreed to refer unresolved disputes to arbitration, and if necessary to obtain interim relief from a court of competent jurisdiction while they waited for the arbitrator's decision. In the memorandum of agreement, the three institutions agreed to execute their functions in a transparent manner; to timeously disclose all information necessary for an uncomplicated merger; and to make joint decisions on matters of organisational and operational importance for the envisaged new institution.

The University of KwaZulu Natal (UKZN) emerged from a merger between five campuses. The Interim Council was the first structure to be finalised during the

merger process. The Council was appointed for six months to perform governance functions, excluding the establishment of institutional statutes. At the beginning of 2004, an interim management structure was appointed to manage the new institution during the first six months of its existence. The following factors were considered by UKZN in designing the structure of the new management: the needs of a multi-campus institution; the cultures, expertise and diverse experiences of citizens; and the core research, academic and service functions of the institution. The university ensured that existing executive managers with terms of office extending beyond the merger date continued to perform their functions until institutional structures were finalised and substantive appointments were made to these positions.

The question then asked was whether the outcome of the merger and incorporation processes met the government's objectives for the processes. The fact that the government wanted higher educational institutions to merge or incorporate and has succeeded in this regard is a positive factor on its own. The broad overall objective, particularly around transformation, is a longer term factor, the success of which will only be determined in years to come. However, a number of challenges and successes are already evident from the mergers and incorporation processes.

The difficulties that resulted from the mergers and incorporation vary across the higher educational sector. While a number of the higher educational institutions were able to resolve the problems resulting from the processes, other institutions struggled with similar difficulties. These included how best to align systems and processes when a number of institutions that operated in different ways were merged or incorporated. As a result of the mergers and incorporation processes, the new institutions developed new policies and procedures, which were in the interests of the newly merged and incorporated higher educational institutions.

This chapter revealed that the changes that occurred as a result of the mergers and incorporation have set the system of higher education in South Africa on the path of growth and development. For instance, the gap in academic standards has narrowed; programme duplications were eliminated; neglected facilities and buildings are being upgraded to comply with health and safety standards; efficiency and effectiveness in higher education management and administration have been promoted; and universities with excess staff have mostly retained such staff members.

The negative implications of the mergers and incorporation include excess staff; students from poor backgrounds not being able to reap the benefits of tertiary education without adequate financial assistance; previously disadvantaged institutions, which have become satellite campuses, becoming unviable if students do not pay their fees or if student enrolment rates are low. Already, the Mamelodi Campus of the University of Pretoria is set to become a study centre. The alignment of institutional cultures remains a critical challenge, as racial and cultural differences remain. These need to be urgently addressed.

The chapter concluded that the government needs to adequately consider the interests of universities, especially by granting them more autonomy in deciding what they teach and how they run their institutions. The government also needs to involve the higher education sector more in determining how much money is allocated to them, as well as in the management of higher educational institutions in general.

In analysing the success or failure of the restructuring process, it is noted that this is the first time that such a major restructuring of the system of higher education has been undertaken anywhere in the world. The mergers and incorporation that have taken place in other countries were not as radical as those in South Africa, where the process involved all institutions of higher education. In the long run, the success or failure of this process depends on the

nature of the institutions involved. Problems will persist in universities that are not able to adequately deal with the challenges they confront and provide sound and strategic management leadership.

The research questions examined in chapter five were 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; and the legitimacy of the claim that the autonomy of higher educational institutions is under threat as a result of government intervention in higher education. The chapter revealed that higher education funding in South Africa, which is insufficient and characterised by steady decline, might not enhance higher education's transformational needs for increased access. It might not facilitate the development of underdeveloped institutions or ensure that students can study the courses of their choice. Universities are further confronted by excessive government interference in the way they utilise their funds, in what and how they teach and on the number of students they enrol for particular courses. This level of intervention by government which erodes institutional autonomy and academic freedom is very radical and may create further tension among the universities' management and academic personnel.

The research indicated, however, that universities cannot possess absolute autonomy and academic freedom because their functions affect various stakeholders, to whom they are accountable, especially in terms of the contributions they make towards the human resource needs of the country. The stakeholders include staff, students, parents and the government. The state cannot ignore the higher education sector, because higher educational institutions have to account for their activities and public funds, and because the functions of the government include the development of a well-structured and functional system of education. Higher educational institutions are required to be accountable for how they spend public money and to achieve good results with it,

in the public interest. Public funds have become measures through which the government controls the system of higher education and channels it towards particular targets and goals.

Higher education stakeholders are concerned about how to find sufficient resources to meet current challenges. Academics are under pressure to deliver more services with fewer resources; to undertake academic capping since uncontrolled growth in higher education cannot be funded; to balance that with demands for increased access and equity; to increase the number of students from previously disadvantaged backgrounds; and to give more opportunities to deserving students. In view of shrinking government funding, the chapter suggested that higher educational institutions should vigorously seek alternative sources of funding that are sufficient to meet the shortfalls in state allocations.

The chapter concluded that although the state has a duty to provide strategic direction and develop regulatory frameworks and policies for an effective and efficient higher education system, in line with the provisions of the *Constitution of the Republic of South Africa, 1996*, the *Education White Paper 3: A Programme for the Transformation of Higher Education, 1997*, and the *National Plan for Higher Education, 2001*, these objectives can only be adequately fulfilled in partnership with the management of higher educational institutions and their governance structures.

The research questions examined in chapter six relate to problems resulting from government intervention through the mergers, incorporation and funding arrangements, which impact on the ability of both government and universities to achieve the transformational and developmental objectives of the country, and which further impact on institutional autonomy and the academic freedom of universities. The research questions are: what policy options and further recommendations can the government and higher educational institutions adopt as alternative solutions to the problems identified in the research? How can

legitimate government priorities and institutional autonomy be reconciled so that the priorities do not undermine institutional autonomy and institutional autonomy does not undermine government priorities? And how can cooperative governance between the government and universities be enhanced?

The chapter noted that although the government has made substantial strides in its transformation objectives for a higher educational system that is geared towards meeting the needs of the people and rectifying the imbalances of the past, a number of policy objectives have not been fully achieved. Moreover, it appears that the government contradicts its policy directives in a number of ways. For instance, it promotes access to higher education for all, while at the same time reducing the number of student admissions to specific programmes, and allocating less funding to higher educational institutions, especially previously advantaged ones such as the University of Pretoria.

The chapter further noted that the ineffectiveness of higher education policies and the fact that higher institutions are not given enough opportunity to contribute to the decisions that impact on them could hamper the developmental objectives of the country. Universities cannot have absolute autonomy and academic freedom because their activities affect various stakeholders, including students, parents, staff members, the government and the country as a whole. About 50 percent of universities' funds are derived from the government. As a result, universities need to account to these stakeholders for their activities and how they spend public funds.

The section posited that balancing the roles and functions of universities and the government should be guided by well designed and implemented regulations and by cooperation among various stakeholders, and that their interests should be considered in a way that reflects appropriate values, principles and the demands of a growing economy. The government needs to critically re-examine the extent of its intervention and its implications for institutional autonomy and academic

freedom. Appropriate relationships between higher education sector and the state would minimise the challenges. The chapter also posited that higher educational institutions must be involved in all matters relating to their funding, not only through the inputs they make in their three-year rolling plans, and that decisions should be taken jointly by the government, higher education representatives and the Council on Higher Education, to the satisfaction of all stakeholders.

The chapter concluded with a number of recommendations such as the establishment of an office for indigent students at the Department of Education; the creation of a higher education performance bonus; the creation of a special budget; the establishment of a higher education sentencing framework; the establishment of a higher education vetting unit; and the establishment of an ethics and integrity office within each higher educational institution.

The recommendations aim to minimise the extent of government intervention in higher education to ensure that the institutional autonomy and academic freedom of universities are protected. They aim to enhance the achievement of the government's objectives for the higher education system; ensure a system of higher education that is able to meet the needs of a developing economy, that promotes access and equal opportunities for all qualified graduates and students seeking admission, and that enhances true culture integration. Strategies for culture integration include an understanding of other cultures and how to coexist harmoniously with other races in unity, love, justice, fairness, tolerance, responsibility, mutual respect and trust, integrity, honesty, equity, fairness, commitment and courtesy. The strategies further include nationally instituted cultural integration policies, structured programmes to assist staff members to cope with multicultural students, counselling services and teaching programmes to assist staff and students to embrace real integration. University leaders, administrators and other stakeholders are encouraged to make their institutions more culturally inclusive.

The recommendations will further help to ensure the realization of a transformed higher education sector able to meet the demands of its people and the economy, a sector which is accountable and committed to professionalism and in which all stakeholders are able to realize their potential. The government needs to grant higher educational institutions more autonomy to decide what they teach and how they run their institutions, so that their identity is not compromised.

7. LIST OF SOURCES

7.1 BOOKS

Adedeji, A. & Baker C. 1974. *Education and Research in Public Administration in Africa*. London: Hutchinson.

African National Congress. 1994. *The Reconstruction and Development Programme (RDP)*. Johannesburg: Umanyano Publications.

Altbach, P. 2000. *The Changing Academic Workplace: Comparative Perspectives*. Boston: Centre for International Higher Education.

American University. 2005. *South Africa: University of KwaZulu Natal: Academic Courses*. Washington D.C.: AU Abroad.

Anderson, J.E. 1979. *Public Policy Making*. New York: Holt, Rinehart and Winston.

Appiah, K.A. & Gates, H.L. 1999. *Africana: Encyclopaedia of the African and African American Experience*. New York: Basic Civitas Books.

Barton, R. & Chappell, W.L. 1985. *Public Administration: the Work of Government*. London: Scott, Foresman and Company.

Birkland, T.A. 2001. *An Introduction to the Policy Process*. New York: M.E. Sharpe.

Black, P.A. & Calitz, E. 1999. *Public Economics for South African Students*. Cape Town: Oxford University Press.

Bonser, C.F., McGregor, E.B. & Oster, C.V. 1996. *Policy Choices and Public Action*. Englewood Cliffs. NJ: Prentice Hall.

Botes, P.S., Brynard, P.A., Fourie, D.J. & Roux, N.L. 1992. *Public Administration and Management: A Guide to Central, Regional and Municipal Administration and Management*. Pretoria: Kagiso Tertiary.

Box, R.C. 2005. *Critical Social Theory in Public Administration*. New York: M.E. Sharpe.

Brown, Duke Kent. 2002. *The Relationship between the Republic of South Africa and the People's Republic of China: A Model for Public Policy Analysis*. Unpublished. PhD Thesis. Pretoria: University of Pretoria.

Brynard, P. & Erasmus, K. 1995. *Public Management and Administration*. Pretoria: Van Schaik.

Brynard, P.A., Botes, P. & Fourie, D.J. 1997. *Critical Issues in Public Management and Administration in South Africa*. Pretoria: Kagiso Tertiary.

Caiden, G.E. 1971. *The Dynamics of Public Administration: Guidelines to Current Transformations in Theory and Practice*. New York: Holt, Rinehart and Winston.

Calland, R. 1997. *All Dressed Up With Nowhere to Go: The Rapid Transformation of the South African Parliamentary Committee System*. Cape Town: Idasa.

Chapman, D.W. & Austin, A.E. (ed). 2002. *Higher Education in the Developing World*. London: Greenwood Press.

Cloete, J.J.N. 1981. *Introduction to Public Administration*. Pretoria: Van Schaik.

Cloete, F. & Wissink, H. 2000. *Improving Public Policy*. Pretoria: Van Schaik.

Cloete, F & Wissink, H. 2006. *Improving Public Policy from Theory to Practice*. Second Edition. Pretoria: Van Schaik.

Coetzee, W.A.J. 1988. *Public Administration: A South African Introductory Perspective*. Pretoria: Van Schaik.

Colebatch, H.K. 1998. *Policy*. Buckingham: Open University Press.

Columbia Electronic Encyclopaedia. Sixth Edition. 2005. New York: Columbia University Press.

Committee Section (at Parliament). 1999. *Procedural Guide for Committee Section Staff*. Cape Town: Committee Section.

COSATU. 2000. *Accelerating Transformation*. Cape Town: COSATU Parliamentary Office.

Cootie, B. 1992. *The Trade Trap*. London: Oxfam.

Council on Higher Education. 2004. *South African Higher Education in the First Decade of Democracy*. Pretoria: Council on Higher Education.

Council on Higher Education. 2005. *Overview of Recent and Current Debates in South African Higher Education: Academic Freedom, Institutional Autonomy and Public Accountability*. Pretoria: Council on Higher Education.

Council on Higher Education. 2006. *The Impact of the Changing Funding Sources on Higher Education Institutions in South Africa*. Pretoria: Council on Higher Education.

DAAD. Undated. *The German Way of Higher Education*. Bangkok: DAAD Information Centre.

Davidson, R. & White, P. 1988. *Information and Government: Studies in the Dynamics of Policy Making*. Edinburg: Yale University Press.

De Beer, C.R. 2004. *Mamelodi Campus*. Pretoria: University of Pretoria.

Davenport. 1991. *South Africa: A Modern History*. Toronto: University of Toronto Press.

Denzin, N.K. 1998. *Strategies of Qualitative Inquiry*. London: Sage Publications.

Department of Education. 2004. *Creating Comprehensive Universities in South Africa: A Concept Document*. Pretoria: Department of Education.

Department of Education. 2005. *Information on the State Budget for Higher Education*. Pretoria: Department of Education.

Dunn, W.N. 1994. *Public Policy Analysis: An Introduction*. Second Edition. Englewood Cliffs, NJ: Prentice-Hall.

Dye, T.R. 1987. *Understanding Public Policy*. Englewood Cliffs, NJ: Prentice-Hall.

Edwards, G.C. & Sharkansky, I. 1978. *The Policy Predicament: Making and Implementing Public Policy*. San Francisco: W.H. Freeman.

Encyclopaedia of Democracy. 1995. London: Routledge.

Forester, J. 1993. *Critical Theory, Public Policy, and Planning Practice*. Albany: State University of New York.

Garson, G.D. & Williams, J.O. 1982. *Public Administration: Concepts, Readings, Skills*. Boston: Allyn and Bacon.

Gelb, S. 1991. *South Africa's Economic Crisis: an Overview*. Cape Town: David Philip.

Gerston, L.N. 2004. *Public Policy Making: Process and Principles*. New York: M.E. Sharpe.

Green, A. 1997. *Education, Globalisation and the Nation State*. London: Macmillan.

Hoffman, W.F., Driscoll, D., & Painter-Morland, M. 2001. *Integrating Ethics into Organisational Cultures*. London: Profler Books.

Hanekom, S.X. & Thornhill, C. 1983. *Public Administration in Contemporary Society*. Johannesburg: Macmillan.

Hanekom, S.X. & Thornhill, C. 1986. *The Functions of the Public Administrator*. Durban: Butterworth Publishers.

Hogwood, B.W. & Gunn, L.A. 1984. *Policy Analysis for the Real World*. New York: Oxford University Press.

Howlett, M. & Ramesh, M. 1995. *Studying Public Policy*. New York: Oxford University Press.

Ingram, H. & Smith, S.R. 1993. *Public Policy for Democracy*. Washington, DC: The Brookings Institution.

Institute of Directors. 2002. *King Report on Corporate Governance for South Africa*. Johannesburg: King Committee on Corporate Governance.

Izraeli, D & Schwartz, M.S. (Undated). *What Can we Learn From the U.S. Federal Sentencing Guidelines for Organisational Ethics*. European Institute for Business Ethics.

Jansen, J. 2002. *Mergers in Higher Education: Lessons Learned in Transitional Contexts*. Pretoria: UNISA Press.

Jaquis, D. & Richardson, J. 1985. *The Future of Higher Education*. Surrey: SRHE & NFER-NELSON.

Jreisat, J.E. 2002. *Comparative Public Administration and Policy*. Colorado: Westview Press.

Kashula, R.H. & Anthonissen, C. 1995. *Communication Across Cultures in South Africa: Towards a Critical Language Awareness*. Johannesburg: Hodder & Stoughton.

Kraak, A. 2001. *The South African Context: Planning and Legislation in Higher Education*. Pretoria: HSRC.

Krauss, M.B. 1978. *The New Protectionism: the Welfare State and International Trade*. New York: New York University Press.

Kuye, J.O., Thornhill, C. & Fourie, D. 2002. *Critical Perspectives on Public Administration: Issues for Consideration*. Sandown: Heinemann Publishers.

LeMay, M.C. 2006. *Public Administration: Clashing Values in the Administration of Public Policy*. Australia: Thomson Wadsworth.

Lemmer, E. 1999. *Contemporary Education: Global Issues and Trends*. Sandton: Heinemann and Further Education.

Levin, B. 2001. *Reforming Education: From Origins to Outcomes*. New York: Routledge Falmer.

Library of Congress. 1996. *A Country Study: South Africa*. Washington: Federal Research Division.

Lindblom, C.E. & Woodhouse, E.J. 1993. *The Policy-Making Process*. Englewood Cliffs, NJ: Prentice Hall.

MacRae, D. & Wilde, J.A. 1985. *Policy Analysis for Public Decisions*. New York: University Press of America.

Majchrzak, A. 1984. *Methods for Policy Research*. London: Sage Publications.

Makgoba, M.W. 2004. *The University of Kwa-Zulu Natal. One Hundred Days*. Durban: University of Kwa-Zulu Natal.

Marais, H. 1998. *South Africa Limits to Change: The Political Economy of Transformation*. London: Zed Press.

Matterson, A. 1981. *Polytechnics and Colleges*. New York: Longman Group.

McCool, D.C. 1995. *Public Policy: Theories, Models and Concepts*. Englewood Cliffs, NJ: Prentice-Hall.

Meijer, J.H., Falkena, H.B. & Van der Merwe, E.J. 1991. *Financial Policy in South Africa*. Cape Town: Southern Book.

Ministry of Education. 2005. *Ministerial Statement on Higher Education Funding: 2005/6 to 2007/8*. Pretoria: Ministry of Education.

Mitchel, J. 1992. *Public Authorities and Public Policy: The Business of Government*. New York: Praeger.

Mkude, D., Cooksey, B. & Levey, L. 2003. *Higher Education in Tanzania*. Oxford: James Curry.

Mohr, P. & Fourie, L. 2000. *Economics for South African Students*. Pretoria: Van Schaik.

Molatlhegi, T.S. 2002. *The Process of Policy Development in Higher Education in Post-Apartheid South Africa: The Case of the Higher Education Act*. Unpublished. PhD Thesis. Johannesburg: University of the Witwatersrand.

Moraka, R.E. 2001. *Management of Change and Conflict Resolution within Student Affairs at Historically White Universities*. Unpublished. PhD Thesis. Pretoria: University of Pretoria.

Nagel, S.S. 1990. *Policy Theory and Policy Evaluation*. New York: Greenwood Press.

National Commission on Higher Education (NCHE). 1996. *A Policy Framework for Transformation*. Pretoria: NCHE.

National Treasury. 2000. *Guide for Accounting Officers: Public Finance Management Act*. Pretoria: National Treasury.

National Treasury. 2006. *Budget Review 2006*. Pretoria: National Treasury.

National Treasury. 2006. *Estimates of National Expenditure 2006*. Pretoria: National Treasury.

NCOP. 1999. *National Council of Provinces (NCOP) 1996-1999 in Review*. Cape Town: NCOP in Association with National Democratic Institute.

Nel, H. (undated). *Exploring the Viability of Electronic Learning in the Master of Public Administration Programme at the University of Port Elizabeth*. Port Elizabeth: University of Port Elizabeth.

OECD. 1987. *Universities under Scrutiny*. Paris: OECD Publications.

Oshagbemi, T. 1998. *Leadership and Management in Universities: Britain and Nigeria*. New York: Walter de Gruyter.

Partnership for Higher Education in Africa. 2005. *Higher Education in Tanzania: A Case Study*. New York: Carnegie Corporation.

Peters, B.G. & Pierre, J. 2003. *Handbook of Public Administration*. London: SAGE.

Perry, J.L. (ed). 1996. *Handbook of Public Administration*. San Francisco: Jossey-Bass.

Peters, M. 1992. *Performance and Accountability in Post Industrial Society: the Crisis of British Universities*. London: Studies in Higher Education.

Pityana, N.B. 2004b. *A Decade of South African Higher Education Post Democracy: An Overview*. Pretoria: UNISA.

Pityana, N.B. 2005a. *Post Democracy: An Overview. A decade of South African Higher Education*. Pretoria: Unisa Online.

Pressman, J.L. & Wildavsky, A. 1973. *Implementation*. Berkeley: University of California Press.

Public Service Commission. 1999. *Evaluation of Departments' Annual Reports as an Accountability Mechanism*. Pretoria: Public Service Commission.

Quade, E.S. 1975. *Analysis for Public Decisions*. New York: American Elsevier Publishing.

Rainey, H.G. 2003. *Understanding and Managing Public Organisations*. San Francisco: Jossey-Bass.

Rawls, J. 1971. *A Theory of Justice*. Cambridge: The Belknap Press.

Rawls, J. 1993. *Political Liberalism*. New York: Columbia University Press.

Rawls, J. 2001. *Justice as Fairness*. Cambridge: The Belknap Press.

Reilly, W. 1979. *Training Administrators for Development*. London: Heinemann Educational Books.

Reuter, L.R. & Dobert, H. 2002. *After Communism and Apartheid: Transformation of Education in Germany and South Africa*. Frankfurt am Main: Peter Lang GmbH.

Rist, C.E. (ed). 1995. *Policy Evaluation: Linking Theory to Practice*. Aldershot: Elgar.

Rossouw, D. 2002. *Business Ethics in Africa*. Cape Town: Oxford University Press Southern Africa.

Rossouw, D & Van Vuuren, L. 2004. *Business Ethics*. Cape Town: Oxford University Press Southern Africa.

Roux, N., Brynard, P. & Fourie, D. 1997. *Critical Perspectives in Public Management and Administration*. Pretoria: Kagiso Tertiary.

Roux, N.L., Brynard, P.A., Botes, P.S. & Fourie, D.J. 1997(b). *Critical Issues in Public Management and Administration in South Africa*. Pretoria: Kagiso tertiary.

Ruperti, R.M. 1976. *The Education System in Southern Africa*. Pretoria: J.L. van Schaik.

Ryan, M.H. & Swanson, C. L. 1987. *Corporation Strategy, Public Policy and the Fortune 500*. United Kingdom: Basil Blackwell Inc.

Schwartzman, S & Klein, L. 1994. '*Higher Education and Government in Brazil*'. In Neave, G. & Van Vught, F.A. 1994. *Government and Higher Education Relationships Across Three Continents: the Winds of Change*. Pergamon Press and the International Association of Universities. Volume 2. 1994.

Schwandt, T.A. 1997. *Qualitative Inquiry*. London: Sage Publications.

Shafritz, J.M. (ed). 1998. *International Encyclopaedia of Public Policy and Administration*. Boulder, CO: Westview.

Shafritz, J.M. 2004. *The Dictionary of Public Policy and Administration*. Oxford: Westview.

Sharkansky, I. 1982. *Public Administration, Agencies, Policies, and Politics*. San Francisco: W.H. Freeman.

South African Revenue Service (SARS). 2005. *Anti-Fraud and Corruption Strategy*. Pretoria: Ethics Office.

South African Revenue Service (SARS). 2006. *Ethics Awareness Programme*. Pretoria: SARS Ethics Office.

Subotzky, G. 2003. *African Higher Education: An International Reference Handbook*. Indiana: Indiana University Press.

South African Universities' Vice Chancellors' Association (SAUVCA). 2001. *Building a Future Higher Education System by Strengthening the Framework and Foundations of the National Plan for Higher Education. SAUVCA's Response to the National Plan on Higher Education*. Pretoria: SAUVCA.

Strauss, A. & Corbin, J. 1998. *Basics of Qualitative Research*. London: Sage Publications.

Taylor, S., Henry, M., Lingard, B. & Rizvi, F. 1997. *Educational Policy and the Politics of Change*. London: Routledge.

Thomas, R.M. 1992. *Education's Role in National Development Plans: Ten Country Cases*. New York: Praeger.

TNG, TNW & TP. 2003. *Memorandum of Agreement*. Pretoria: TNG, TNW &TP.

Trebilcock, M.J. & Howse, R. 1995. *The Regulations of International Trade*. London: Routledge.

Tshwane University of Technology. 2003. *Determining the Seat (Official Address) of the New Institution: Motivation by Technikon Pretoria*. Pretoria: Tshwane University of Technology.

Tshwane University of Technology. 2004a. *Institutional Operating Plan 2004/5 – 2007*. Pretoria: Tshwane University of Technology.

Tshwane University of Technology. 2004b. *Policy on Subject Levies*. Pretoria: Tshwane University of Technology.

Tshwane University of Technology. 2004(c). *Preliminary Cultural Analysis Report: December 2003 – March 2004*. Pretoria: Tshwane University of Technology.

Tshwane University of Technology. 2005(a). *Progress Report on the Integration of Academic Activities During 2004*. Pretoria: Tshwane University of Technology.

Tshwane University of Technology. 2005(b). *Merger Lessons*. Pretoria: Tshwane University of Technology.

Tshwane University of Technology. 2005(c). *Government Funding*. Pretoria: Tshwane University of Technology.

Tshwane University of Technology. Undated(a). *Merger: Technikons Northern Gauteng, North West and Pretoria*. Pretoria: Tshwane University of Technology.

Tshwane University of Technology. Undated(b). Office of the Merger Coordinator. Annexure 1. *Recommendations of JSTs*. Pretoria: Tshwane University of Technology.

Tshwane University of Technology. Undated(c). *Key Features of the Three Institutions*. Pretoria: Tshwane University of Technology.

University of Pretoria. 2003(b). Tukkies Varia, Special Report: *The Quest for an Improved Institutional Landscape*. Pretoria: Pretoria University.

University of Pretoria. 2003(c). *Memorandum of Agreement*. Pretoria: University of Pretoria.

University of Pretoria. 2003(d). *Roll-out Plan for the Incorporation of the Mamelodi Campus of Vista University into the University of Pretoria*. Pretoria: University of Pretoria.

University of Pretoria. 2003(e). *Comprehensive Report on the Management Approach to the Incorporation Process of Mamelodi Campus into the University of Pretoria*. Pretoria: University of Pretoria.

University of Pretoria, October 2003(f). *Memorandum of Understanding*. Pretoria: University of Pretoria.

University of South Africa (UNISA). 2005. *UNISA 2015 Strategic Plan*. Pretoria: UNISA.

Valadez, J & Bamberger, M. 1994. *Monitoring and Evaluating Social Programmes in Developing Countries*. Washington, DC: World Bank.

Van Aswegen, A., Rey, C. & Pines, N. 2003. *University Subsidies and UNISA*. Pretoria: UNISA.

Van der Valt, L., Bolsmann, C., Johnson, B. & Martin, L. *Globalisation, the Market University and Support Service Outsourcing in South Africa: Class Struggle, Convergence and Difference, 1994-2001*. Johannesburg: Department of Sociology, University of the Witwatersrand.

Van Essche, A. & Masson, A. (eds). 2004. *The Guide to South African Tertiary Education. Fourth Edition*. Durban: International Education Association of South Africa (IEASA) in association with the South African Vice Chancellors Association (SAUVCA) and Committee of Technikon Principals (CTP).

Van Jaarsveldt, L.C. 2003. *Web-based Training in Public Administration in South Africa: Principles and Consideration*. Unpublished. A Masters Degree Dissertation. Pretoria: University of Pretoria.

Vedung, E. 1997. *Public Policy and Programme Evaluation*. New Brunswick. N.J.: Transaction Books.

Veld, R; Fussel, HP and Neave, G (1996). *Relations between State and Higher Education*. The Hague: Kluwer.

Venables, P. 1978. *Higher Education Developments. The Technological Universities*. London: Faber & Faber.

Wagner, A. 1998. *Redefining Tertiary Education*. In the OECD Observer No 214, Oct/Nov 1998. Paris: OECD Publications.

Weidman, J.C. & Bat-Erdene, R. 2002. 'Higher Education and State in Mongolia: Dilemmas of Democratic Transition'. In Chapman, D.W. *Higher Education in*

Developing world: Changing Contexts and Institutional Responses. Westport, CT: Greenwood Press.

West Virginia University. 1999. *About the Land-grant System*. West Virginia: West Virginia University.

Wholey, J.S., Hatry, H.P. & Newcomer, K.E. 1994. *Handbook of Practical Programme Evaluation*. San Francisco, CA: Jossey-Bass.

World Bank 1988. *Education in Sub-Saharan Africa – Policies for Adjustment, Revitalisation and Expansion*. Washington D.C.: the International Bank for Reconstruction and Development / the World Bank.

Younis, T. 1990. *Implementation in Public Policy*. Dartmouth: Aldershot, Hants.

7.2 LEGISLATION AND POLICIES

Department of Education. 2001. *The Restructuring of the Higher Education System in South Africa*. Pretoria: Department of education.

Department of Education. 2003. *Higher Education Restructuring and Transformation: Guidelines for Mergers and Incorporations*. Pretoria: Department of Education.

Ministry of Education. 2001. *National Plan for Higher Education*. Pretoria: Ministry of Education.

Ministry of Education. 2002. *Funding of Public Higher Education: A New Framework. Revised Version*. Pretoria: Ministry of Education.

Ministry of Education. 2003. *Schedule: Funding of Public Higher Education*. Pretoria: Ministry of Education.

Ministry of Education. 2004. *A New Funding Framework: How Government Grants are Allocated to Public Higher Education Institutions*. Pretoria: Ministry of Education.

South Africa (Republic). 1994. *White Paper on the Reconstruction and Development Programme*. Pretoria: Government Gazette.

South Africa (Republic). 1995. *Labour Relations Act, 1995 (Act 66 of 1995)*. Pretoria: Government Printers.

South Africa (Republic). 1996a. *Constitution of the Republic of South Africa, 1996*. Pretoria: Government Printers.

South Africa (Republic). 1996b. *White Paper on Science and Technology, 1996*. Pretoria: Government Printers.

South Africa (Republic) 1997a. *Education White Paper 3: A Programme for the Transformation of Higher Education*. Pretoria: Government Printers.

South Africa (Republic). 1997b. *Higher Education Act, 1997 (Act 101 of 1997)*. Pretoria: Government Printers.

South Africa (Republic). 1999. *Public Finance Management Act, 1999 (Act 1 of 1999)*. Pretoria: Government Printers.

South Africa (Republic). 1999. *Rules of the National Assembly*. Cape Town: Parliament.

South Africa (Republic). 2003a. *Guidelines for Mergers and Incorporations*. Pretoria: DoE.

South Africa (Republic). 2003b. Government Gazette. Republic of South Africa. Vol 461. 14 Nov 2003. No 25737. Government Notices. Pretoria: DOE. *The University of Natal and the University of Durban Westville*.

South Africa (Republic), 2003c. *Government Notice: Funding Public Higher Education*. Pretoria: Government Printers.

7.3 JOURNALS AND ACADEMIC PUBLICATIONS

Boyle, P. & Bowden, J.A. 1997. 'Educational Quality Assurance in Universities: An Enhanced Model'. In "Assessment and Evaluation in Higher Education". Volume 22. Issue 1. June 1997.

Celarier, M. 1997. 'Privatisation: A Case Study in Corruption'. In Journal of International Affairs. Volume 50. Issue 2. Winter 1997.

Centre for Policy Studies (CPS). 1999. *Social Policy Series*. Johannesburg: CPS.

Centre for Policy Studies. 2000. *Newsletter of the Governance Programme*. Volume 2. Johannesburg: Centre for Policy Studies.

Cooper, D. 1995. *Technikons and Higher Education Restructuring* In "Journal of Comparative Education." Volume 31. Issue 2. June 1995.

Cotter, M. 1998. *Using Systems Thinking to Improve Education*. In "About Campus." Volume 2, Issue 6. January 1998.

Dagnino, R & Velho, L. 1998. *University-Industry-Government Relations on the Periphery: The University of Campinas, Brazil*. In "Minerva 36", 1998. (Kluwer Academic Publishers.

Daun H. 2005. '*Comparative and International Research in Education: Globalization, Context and Difference*'. In Comparative Education Review. Volume. 49. Issue 1. February 2005.

Du Toit, A. Undated. *Institutional Autonomy, Academic Freedom and Public Accountability. Towards Conceptual Clarification: A Thought Experiment*. Pretoria: Council on Higher Education Colloquium.

Erichsen, H.U. 2002. '*Theses on Status Quo and Future Challenges of the German System of Higher Education*'. In German Policy Studies. Volume 2. Issue 3. 2002.

Erwin, A. May 1990. '*An Economic Policy Framework*'. Paper presented at workshop on Future Economic Policy for South Africa, Harare.

European Student Convention. 2006. "*How to Achieve Genuine Student Mobility*". Athens: European Student Convention. 21-23 February 2006.

Fiske, E.B. & Ladd, H.F. Jan 2005. *Racial Equality in Education: How Far has South Africa Come?* Duke University Durham: Terry Stanford Institute of Public Policy. (Paper prepared for the special issue of International Journal of Educational Development (IJED) on "Education Policy and Practice in Post Apartheid South Africa – Ten Years of Democratic Change".

Gelb, S. March 1992. '*The Political Economy of the Black Middle class in a Democratic South Africa*'. Paper commissioned by NEPI.

Hatfield, K.M. 2003. '*Funding Higher Education for Adult Students*'. In *New Directions for Student Services*. Issue 102. Summer 2003.

Henrard, K. 2002. '*Post Apartheid South Africa's Democratic Transformation Process: Redress of the Past, Reconciliation and Unity in Diversity*'. In the *Global Review of Ethnopolitics*. Volume 1. Number 3. March 2002.

Institute for Public Finance and Auditing (IPFA). March 2000a. Pretoria: IPFA.

Institute for Public Finance and Auditing (IPFA). September 2000b. Pretoria: IPFA.

International Labour Review, Vol 143, 2004.

Jansen, J. 2003. *Changes and Continuities in South Africa's Higher Education System, 1994-2004*. Pretoria.

Nzimande, B. 2004. *Youth and Student Action to Lower Costs of Higher Education must be Consolidated and Taken Forward*". In *Umsebenzi Online*. Volume 3. Number 17. 1 September 2004.

Saint, W., Hartnet, T.A. & Strassner, E. 2004. *Higher Education in Nigeria: A Status Report*. In "World Education News & Reviews", Vol 17, Issue 5.

Selwyn, N. & Brown, P. '*Education, Nation States and the Globalisation of Information Networks*'. In *Journal of Education Policy*. Volume 15. No 6. 2000.

Shinn, D.C. & Van der Silk, J.R. 1988. '*The Plurality of Factors Influencing Policymaking: School Reform Legislation in the American States, 1982-84*'. In *Policy Studies Review*. Volume 7. Number 3. Spring 1998.

Simons, R.H. & Thompson, B.M. 1998. '*Strategic Determinants: the context of managerial decision making*'. In *Journal of Managerial Psychology*. Volume 13. Number 1 / 2. 1998.

South African Human Rights Commission (SAHRC). 1999. *Racism, Racial Integration and Desegregation in South African Public Secondary Schools*. A Research Report. Pretoria: SAHRC.

South Africa (Republic). The Presidency. 2006. *Accelerated and Shared Growth Initiative – South Africa*. Pretoria: The Presidency.

Tasker, M. & Packham, D. 1994. '*Changing Cultures? Government Intervention in Higher Education 1987-1993*'. In *British Journal of Educational Studies*. Volume 42. Issue 2. June 1994. Oxford: Blackwell Publishers.

Tshwane University of Technology (TUT). 2004d. *Funding Grant for Residences*. A letter to the Minister of Education. 2 August 2004. Pretoria: TUT.

University at Buffalo. 2002. '*Tanzania*'. In *The International Comparative Higher Education Finance and Accessibility Project*. New York: State University of New York .

University at Buffalo. 2003. '*Mongolia*'. In *The International Comparative Higher Education Finance and Accessibility Project*. New York: State University of New York.

Vermeulen, P.J. 2004. *Governmental Funding Regimes for Higher Education and its Impact on Higher Education Institutions, its Governance and Autonomy*. Report on the research project undertaken at the Centre for Research on Higher Education and Work (WZI). University of Kassel, Germany. 1 August to 29 October 2004.

Ward, C.V.L. 2001. 'A Lesson from the British Polytechnics for American Community Colleges'. In *Community College Review*. Fall 2001.

Winberg, C. 2004. 'Symbolic Representations of the Post-Apartheid University'. In *Journal of Social and Political Theory*. Issue 105. December 2004.

World Education News and Reviews. 2003. Volume 16. Issue 1. *Higher Education in Tanzania – A Case Study*. New York: World Education Services.

Ziniewicz, G.L. 1996. *Plato: Republic: Order and Justice: the Divided Line: the Cave Allegory*. Gordon L Ziniewicz.

7.4 CONFERENCE PAPERS

Altbach, P.G. 2001. *Academic Freedom: International Realities and Challenges*. Paper delivered at the conference on Globalisation and Higher Education: Views from the South. Cape Town. March 2001.

Badat, S. 2003. *South African Higher Education and Black Economic Empowerment: Critical Issues and Challenges*. (A conference paper delivered at Vodaworld Conference Centre on 21-23 May 2003).

Conant, J.B. 1995. *The Role of the States in Education*. Paper delivered at the 57th annual meeting of the Governors' Conference, Minneapolis, Minnesota, July 1995.

Fourie, M. 2004. *Autonomy and Accountability: Keeping the Balance in South African Higher Education*. An Inaugural Lecture at the University of the Free State: Bloemfontein.

Jansen, J.D. 2004. *Accounting for Autonomy: The 41st T.B. Davie Memorial Lecture at the University of Cape Town.*

King, R. 2006. *Analysing the Higher Education Regulatory State.* London: London School of Economics and Political Science.

Mokadi, A.T. 2004. *Conceptions of the Transformed University: South African / African Engaged.* CHE Colloquium . Pretoria. 10-12 November 2004.

Pityana, N.B. 2004a. *Governance and Democracy in Higher Education.* Price Waterhouse Coopers' Higher Education Conference. 30 August 2004. Port Elizabeth.

Sing, M. 2001. *Reinserting the Public Good into Higher Education Transformation.* Paper delivered at the conference on Globalisation and Higher Education: Views from the South. Cape Town. March 2001.

7.5 NEWSPAPER ARTICLES

Daily Sun Newspapers. 31 July 2006. Pretoria.

Fafunwa, B. 1983. *Nigerian Varsities – Problems and Challenges.* In "National Concord". 12 January 1983.

Felicity Coughlan. In "This day Newspapers". 2005.

Holiday, A. 2004. *State Tightens Leash on Free Universities.* Published in Cape Times. 1 September 2004.

Mbeki, T. 2006. *Nelson Mandela Memorial Lecture by President Thabo Mbeki: University of Witwatersrand, 29 July 2006.* The Sunday Times. 30 July 2006.

Interview. Head of Department. Department of Philosophy, Rand Afrikaans University. Johannesburg. 19 January 2004.

Interview. Deputy Director General for Higher Education. Department of Education. Pretoria. 27 February 2004.

Interview. Chief Director for Planning, Management and Support. Department of Education. Pretoria. 9 March 2004.

Interview. Chief Director: Merger Unit. Department of Education. 12 April 2005.

Interview. Executive Assistant. Office of the Vice Principal. University of Pretoria. 14 April 2005.

Interview. Director: Strategy Management Support. Tshwane University of Technology. 18 April 2005.

Interview. Strategic Planning Officer, Planning Office, University of KwaZulu Natal. 26 April 2005.

Interview. Vice Principal: University of Pretoria. 29 April 2005.

Interview. Director, Higher Education Planning. Department of Education, Pretoria. 17 November 2005.

Interview. Chief Financial Officer. *Tshwane University of Technology*. Pretoria. 24 March 2006.

Interview. Director. Bureau for Institutional Research and Planning. University of Pretoria. 26 March 2006.

7.8 INTERNET SOURCES

Darkwa, O. & Mazibuko, F. 2000. *Creating Virtual Communities in Africa: Challenges and Prospects*. Vol 5, No 5. May 2000. Internet: www.firstmonday.org/issues/darkwa/index.html.

Department of the Prime Minister and Cabinet. 2004. *Cabinet Committees*. 20 July 2004. Internet: <http://www.govt.nz/record?recordid=5481>.

Farrel, G. 1999. *The Development of Virtual Education: A Global Perspective*. Internet: www.col.org/virtualed/index.htm.

Hanney, S.R., Gonzalez-Block, M.A., Buxton, M.J. & Kogan, M. 2003. *The Utilisation of Health Research in Policy Making: Concepts, Examples and Methods of Assessment*. Internet: www.health-policy-systems.com.content/1/1/2

Higher Education Careers Professional. 2005. *Political Party Research Officer in Close-Up*. Internet: [www.prospects.ac.uk/cms/ShowPage/Home_page/Explore types of Jobs/p!eip_aL?state=showocc&pageno=i&idno=355](http://www.prospects.ac.uk/cms/ShowPage/Home_page/Explore_types_of_Jobs/p!eip_aL?state=showocc&pageno=i&idno=355).

Hogg, S. Undated. *Global Economic Institutions*. In London Economics Newsletter. Issue No 7. Undated. Internet: <http://www.cepr.org/gei/7repl.htm>.

Keeley, J & Scoones, I. 2000. *Global Science, Global Policy: Local to Global Policy Processes for Soils Management in Africa*. Internet: www.ids.ac.uk/ids/publicat/wp115.pdf.

New Zealand Police. Undated. *The Results of Vetting*. Internet: www.police.govt.nz/service/vetting/guidelines.php.

Pasteur, K. 2001. *Policy Processes: What Are They, and How can They be Influenced in Support of Sustainable Livelihoods?* Internet: www.livelihoods.org/info.docs/Po/Pros.rtf.

Seinajoki Polytechnic. *Polytechnics in Finland*. Undated. Internet: www.seamk.fi/english/finhighedu/polytinfin.htm.

Sodnomtseren, A. 2006. 'The Impact of Globalisation: A Case of Mongolian Universities'. In International Higher Education Newsletter. Number 43. Spring 2006. Internet: http://www.bc.edu/bc_org/avp/soe/cihe/newsletter/Number43/p.17_sodnomtsere_n.htm.

The National Academies. 1998. *Report of an inquiry conducted jointly by the National Science Board and the Government-University-Industry Research Roundtable*. Internet: <http://www7.nationalacademies.org/guirr/Stresses Phase II.htm>.

Taljaard, R. 2006. *Beyond Gear. Will Asgisa Work?* Internet: <http://business.iafrica.com/features/208941.htm>.

University of Cape Town. Undated. *Investigative Documents*. Internet: www.lib.uct.ac.za/govpubs/Types.htm.

Wilson, R. 2006. *The Relationship Between South Africa's Trade Strategy and ASGISA*. Internet: <http://www.tralac.org/scripts/content.php?id=2855>.