

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 advice 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.