

CHAPTER THREE

A CASE STUDY REVIEW OF TRENDS IN HIGHER EDUCATION

3.1 INTRODUCTION

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

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

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

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

3.2 INTERNATIONAL TRENDS IN HIGHER EDUCATION

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

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

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

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

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

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

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

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

3.3 GOVERNMENT INTERVENTION IN HIGHER EDUCATION – THE QUEST FOR AUTONOMY

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

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

3.4 FUNDING HIGHER EDUCATIONAL INSTITUTIONS

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

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

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

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

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

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

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

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

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

3.5 CASES OF GOVERNMENT INTERVENTION IN HIGHER EDUCATION

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

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

3.5.1 Nigeria

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

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

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

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

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

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

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

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

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

3.5.2 Britain

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

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

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

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

3.5.3 Brazil

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

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

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

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

3.5.4 Tanzania

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

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

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

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

3.5.5 Mongolia

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

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

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

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

3.5.6 Lessons Learnt

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

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

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

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

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

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

3.6 IMPLICATIONS OF AUTONOMY

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

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

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

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

3.7 MARKET- DRIVEN BASIS OF GLOBALISATION

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

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

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

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

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

3.8 MERGERS IN HIGHER EDUCATIONAL INSTITUTIONS

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

3.8.1 New British Universities (Former Polytechnics)

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

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

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

3.8.2 Land-Grant Institutions

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

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

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

3.8.3 Polytechnics in Finland

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

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

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

3.8.4 German Technical Universities and *Gesamthochschulen*

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

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

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

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

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

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

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

3.8.5 Lessons Learnt

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

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

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

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

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

3.9 THE ROLE OF THE STATE IN PROVIDING EDUCATION

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

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

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

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

3.9.1 Ensuring Quality Assurance in Universities

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3.11 GOVERNMENTS AND CORPORATIONS

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

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

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

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

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

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

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

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

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

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

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

3.12 IMPACT OF WEAKENED SUPPORT FOR HIGHER EDUCATION

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

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

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

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

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

3.13 IMPROVING HIGHER EDUCATION

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

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

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

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

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

3.13.1 Concluding Paragraph

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

3.14 SOUTH AFRICAN HIGHER EDUCATION CONTEXT AND POLICY PROCESSES

3.14.1 INTRODUCTION

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

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

3.14.2 HISTORY OF HIGHER EDUCATION IN SOUTH AFRICA

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

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

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

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

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

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

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

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

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

3.14.2.1 Opposition to Apartheid System of Education

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

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

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

3.14.2.2 Demerits and Merits of Apartheid Era Education

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

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

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

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

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

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

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

3.14.3 CHALLENGES FACING HIGHER EDUCATION IN POST-APARTHEID SOUTH AFRICA

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

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

- respond to new realities and opportunities.

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

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

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

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

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

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

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

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

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

3.14.4 GOVERNMENT INTERVENTION IN HIGHER EDUCATION

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

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

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

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

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

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

3.14.4.1 Transformation of Higher Education in South Africa

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

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

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

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

3.14.5 FOUNDATIONS OF THE NEW HIGHER EDUCATION FRAMEWORK

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

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

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

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

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

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

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

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

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

3.14.5.1 A Single Nationally Coordinated System of Higher Education

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

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

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

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

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

3.14.5.2 Increasing Access and Participation

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

3.14.5.3 Increased Responsiveness to Societal Needs

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

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

3.14.5.4 Programme Differentiation and Institutional 'Niche' Areas

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

3.14.5.5 The Importance of Planning and Coordination

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

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

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

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

a) National Plan

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

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

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

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

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

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

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

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

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

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

b) Institutional Plan

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

3.14.6 NEW CHANGES IN THE HIGHER EDUCATION SECTOR SINCE 1994

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

3.14.6.1 Systemic Changes

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

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

3.14.6.2 Improved and Coordinated Governance

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

3.14.6.3 Higher Education Quality Committee

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

3.14.6.4 New Funding Arrangements and Planning

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

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

3.14.7 CONCLUSION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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