



Restructuring higher education

For what? And how will we measure success?

This debate organised by the Centre for Development and Enterprise took place on 14 May 2002. The speakers were Professor Jairam Reddy, member of the minister of education's National Working Group on restructuring higher education; Professor Muxe Nkondo, vice-chancellor, Venda University; Professor Brian Figaji, vice-chancellor, Peninsula Technikon; Professor Thandwa Mthembu, deputy vice-chancellor, University of the Witwatersrand; and Mrs Elisabeth Bradley, executive chair, Wesco Investments. The debate was chaired by Dr Khotso Mokhele, president, National Research Foundation.

What the speakers had to say ...

Introducing the debate, **Dr Khotso Mokhele** noted that its timing was 'immaculate' – the cabinet was scheduled to discuss proposals for restructuring higher education the following day. He then asked **Professor Jairam Reddy**, representing the National Working Group (NWG), to open the panel discussion.

It could be safely assumed, **Professor Reddy** said, that the audience at this debate was familiar with the NWG's recommendations on institutional reconfiguration, which aimed to strengthen the higher education system and ensure its 'fitness for purpose' as set out in the National Plan for Higher Education (2001). He would respond briefly to some of the main criticisms directed at the report.

It had been claimed that the recommendations would decimate historically disadvantaged institutions (HDIs) while perpetuating the inequitable legacy of apartheid by leaving historically advantaged institutions intact. This was not an issue on which he could be accused of personal indifference – in the early 1990s as vice-chancellor of the University of Durban-Westville he had been one of the founders of the association of HDIs, together with

Jakes Gerwel, Chabane Manganyi, and Sibusiso Bhengu. But times had changed – there was no longer any clear distinction between historically advantaged and disadvantaged institutions. South Africa's higher education system now had to be viewed as a whole.

Was UNISA, with a majority of black students, a black vice-chancellor and a black chair of council, a 'black' or 'white' institution? In 1995 Technikon Pretoria had been lily-white; currently 65 per cent of its students were black, as was its vice-chancellor. Examples could be multiplied. Critics might argue that in terms of their staffing these institutions had not yet been 'transformed' (whatever that might mean nowadays), but the point could be made with equal force in the case of HDIs. In actual fact, the NWG had targeted five of the 11 historically white universities and five historically white technikons for some form of merger. The claim that historically white institutions were untouched was manifestly untrue.

It was also being said that, by proposing to merge some of the historically black institutions with each other, poverty was being combined with poverty, weakening them even further. On the contrary, the NWG's task was to

strengthen weak institutions. It had suggested four strategies to achieve this. Firstly, through economies of scale: an institution with 20 000 students would be financially more viable than one with only a few thousand. Secondly, by reducing the number of institutions from 36 to 21 to concentrate capacity in leadership, management, teaching, and research in order to achieve critical mass. Thirdly, by reorienting the mission of these institutions to make them more responsive to society's needs.

For example, the University of Zululand was currently in dire straits, with falling enrolments, severe management problems, and a huge student debt. It could not hope to compete against stronger tertiary institutions in Durban for the same pool of students if it tried to offer similar programmes. Instead, the NWG had recommended that it should refocus its mission to become a 'comprehensive' institution incorporating colleges of education, nursing and agriculture. Its primary function would be to meet the sub-region's needs for skills training and workforce preparation in rural development, industrial development in the Richards Bay area, and tourism, in collaboration with the corporate sector. Such a concept was realistic, and embedded in local realities. And, finally, as part of the general strategy to strengthen restructured HDIs, the NWG had explicitly recommended that weak institutions should receive additional resources.

What of the four or five institutions, including the universities of Cape Town and Stellenbosch, supposedly left untouched? It was simply not true that nothing further was required of them. The NWG had recommended that they should give priority to issues of access and equity, develop an enabling environment and an institutional culture to better accommodate black students and staff, devise strategies to rectify staff imbalances, and seriously address issues of regional collaboration, including rationalising their programmes. Rationalisation would not be voluntary as in the past, but strongly steered by government and matched with incentives and disincentives.

The second major point that he wanted to make, Professor Reddy said, was on the fiercely contested issue of mergers. Critics of the NWG often claimed that these did not work. But mergers among higher education institutions (HEIs) were not new or untested devices – the process had been going on for more than 60 years in many countries. Recently there had been extensive mergers of HEIs in Australia, the Netherlands, and Norway.

It was also said that mergers were unaffordable. This was refuted, however, by the PriceWaterhouseCoopers study that explored

four possible forms of combination for the ML Sultan and Natal technikons, which concluded that a full merger would bring the most benefits, and that while there would be additional costs there would also be savings and greater efficiencies.

Professor Reddy drew attention to a number of issues identified by the NWG, which fell outside its terms of reference but would be critical to success. These included adequate financial resources; a social plan to deal with human resource implications; political will and commitment to drive the process; leadership and management of the highest quality in HEIs; and external facilitation with muscle to broker the deals.

Professor Muxe Nkondo drew attention to a comprehensive response to the NWG's report prepared by the Association of Vice-Chancellors of South African Historically Disadvantaged Tertiary Institutions (ASAHDI).

Numerous weaknesses in the NWG report included the limited range of solutions considered; a lack of equity in the treatment of institutions; puzzling variations in the treatment of different regions; and a poor fit between certain recommendations and their rationale. But the fundamental issue was the question posed so strategically by CDE: restructuring for what?

It was essential to build genuine South African institutions. Restructuring in higher education should be guided by the principles embedded in government's

strategies for growth, development and redistribution, such as the RDP, GEAR, and other economic development policies for South Africa's different regions – for example the integrated rural development plan, the urban renewal strategy, and the integrated manufacturing strategy. The satisfaction of basic economic needs and higher-level needs had to be linked.

Mechanisms should include a co-ordinated system to ensure that all HEIs shared the national burden of educating underprepared students, with a national strategy to manage enrolments, and to ensure that all institutions were provided with appropriate infrastructure and shared key academic and professional expertise. Geographic equity required that all regions – rural, peri-urban or urban – should have access to effective HEIs. Transformation would also require co-ordinated approaches to pre-school, primary, and secondary education.

Transformation needed a strong, interventionist state. Government was accountable to the national electorate, and its job was to ensure that all regions and institutions shared available resources equitably. It made no sense to have four top universities in Gauteng, four or five excellent HEIs in the Western Cape, and only one under-resourced institu-

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tion for Limpopo. It made no sense in terms of equity to merge poor Venda, poor Turfloop and poor Medunsa to take care of poverty in one of the poorest regions in South Africa.

Change was unquestionably necessary, **Professor Brian Figaji** said; and the goals had been thoughtfully explored in the white paper, the CHE's 'size and shape' report, the National Plan for Higher Education, and the NWG report. Perhaps the most pertinent statement was to be found in the National Plan, which saw the aim as 'the development of a single national co-ordinated higher education system, which is diverse in terms of the mix of institutional missions and programmes'. Drawing on the white paper, the NWG had also emphasised 'fitness for purpose', and the associated principles of equity, sustainability and productivity.

These goals provided a reasonable answer to the question: restructuring for what? But other equally important questions followed: how were the goals to be achieved; and how was performance to be measured?

Quantitative indicators, as well as qualitative judgments on issues such as leadership, management and governance, were needed to develop a template to appraise institutions and strategies for restructuring them, and to measure actual outputs against the expected outputs of the reconfigured system. This should result in a coherent system involving collaboration, rationalisation and mergers.

Unfortunately, in formulating proposals for mergers the NWG had not used its own benchmarks of equity, sustainability and productivity consistently or clearly. A number of other considerations including physical proximity and institutional culture seemed to take precedence in different settings. Benchmarks and recommendations were disconnected.

On mergers, Professor Figaji cited the Australian experience, where the education ministry had created a framework in terms of which institutions would lose their funding if they fell below a certain threshold. To avoid that, vulnerable institutions 'merged'. But in reality stronger institutions took over weaker ones – and there were significant differences between mergers and take-overs.

Professor Figaji also voiced misgivings about oversimplified attempts to restructure higher education as a whole. The limited 'steering through' programmes initiated by the department of education were far more subtle and probably more effective devices for change. Warning against a 'big bang' approach, an international authority had put a strong case to UNESCO for using a wide variety of instruments to enable higher education to meet social goals in the 21st century. Government could strengthen higher education by supporting institutional experimentation, as in Finland, where HEIs were encouraged to try

out alternative ways of doing things; useful lessons could then be applied to the whole system. This avoided the massive mistakes that could be made in mandating reforms across entire systems without preliminary testing or adequate knowledge of local conditions and constraints. Unfortunately, centralised government had a built-in bias towards failure. 'Big bang' planning maximised the risk of unintended consequences. Much better to take the time to experiment, developing organisations and systems able to learn from experience.

Professor Thandwa Mthembu argued that in this context it was inappropriate to speak of a 'big bang' approach to the transformation of tertiary education. The process had been under way for at least six years; principles and goals had been debated extensively, and a broad agreement achieved. Some of the issues being raised now were rhetorical, reflecting selective amnesia if not downright dishonesty. Anyone who failed to acknowledge the validity of the process, or who continued to argue about the agreed principles and goals, was doing a disservice to higher education and to the country. To prolong the argument at the level of principle was to undermine the whole project. That was very different from questioning particular elements in the proposals, such as benchmarks or the recommendations affecting specific institutions.

HEIs had been less than enthusiastic or proactive in their approach to institutional collaboration. Some had perhaps assumed that their academic and research activities were unassailable; others, that their political and historical credentials would protect them. Government, too, was open to criticism for its inaction. In a number of cases it had allowed institutional management and governance to deteriorate beyond redemption – and was now looking to mergers to solve these problems.

University councils were responsible for institutional governance, but their composition, mandates and practices were perhaps inimical to good governance and should be reviewed. Despite many problems in HEIs, no vice-chancellor had been dismissed. Government had to be courageous enough to get rid of incompetent leadership, so that others could get on with the necessary tasks of transformation.

A great deal of hard work would be needed to translate policy statements into reality. Over the next five years, plans and programmes would have to be developed, implemented, evaluated, and reoriented as necessary. Given their far from illustrious record, it would be unrealistic to expect HDIs to transform themselves or collaborate voluntarily to the extent required. Government had a duty to see the process through.

Mrs Elisabeth Bradley said her brief, as she saw it, was to give a business perspective. South Africa's economic growth was con-



Government's proposals for restructuring

On 29 May 2002 the cabinet approved the minister of education's proposals for a restructured system comprising 21 higher education institutions consisting of 11 universities, six technikons, and four comprehensive institutions, as well as two national institutes for higher education, one in the Northern Cape and one in Mpumalanga. The minister's proposals differed from the

NWG's recommendations in a number of respects, most importantly in leaving UWC, Rhodes, and Fort Hare as separate institutions; while merging Rand Afrikaans University with Technikon Witwatersrand, and Peninsula Technikon with Cape Technikon. Friday 4 October was set as the closing date for submitting representations on the proposed mergers or subdivisions.

strained by the shortage of skilled and educated people. The education system had delivered poverty, unemployment and a lack of growth.

Of 11,5 million learners at school in the year 2000, 214 000 had entered 12th grade, but only 68 000 had matriculated. The number qualifying annually for university entry was static at best, or shrinking. Yet South Africa had more than 30 HEIs. Eleven of these – seven universities and four technikons – were too small to be viable, with fewer than 5 000 students each.

Many of the stated aims of restructuring, especially the principle of 'fitness for purpose', deserved endorsement. She personally supported a number of the NWG's specific recommendations – though not all – but it was worrying that costs had not been calculated. South Africa was not a wealthy country, and affordability had to be taken into account.

Everyone wanted a system that delivered good-quality, appropriate tertiary education from which every student had the potential to benefit; with adequate funding for institutions, and financial support for students in need. The system should not reproduce past inequities, nor perpetuate past planning disasters. Education was too important to be used for political point-scoring.

The education system was not a business undertaking, but should be run like one to provide the best possible education for the largest number of people at the lowest cost. Institutions that weren't financially viable should be eliminated, and the system scaled down in line with student intake. HEIs should be large enough to support seri-

ous research programmes that would attract and help to retain high-quality academic staff and enrich their teaching programmes. And these institutions should be in urban areas: that was where staff, and students wanted to be, with access to cultural facilities, libraries, theatres, and other amenities. It might be argued that there were successful rural universities in other countries – but they were the richest countries in the world, and those universities were hugely expensive.

For what are we restructuring? To pose this question was really to ask what the purpose of education was. It should equip young people not only for jobs, but for life. Many business people took the simple but not illogical view that education should enable people to earn a living by contributing to the creation of wealth. This did not mean concentrating only on industrial and commercial activities but encompassed everything that made wealth creation possible – critical and creative thinking, teaching, scientific and social research, government, and much else besides.

How was success to be measured? Business people would say that the mark of a good educational system was an economy growing in a sustainable way, with rising fixed investment and job creation rather than job destruction. But long before that might be achieved, it would be possible to judge whether students had access to better education than at present. The test would be whether more students graduated with quality degrees and diplomas, better equipped to compete in a knowledge economy and a globalised world.

During open discussion ...

The debate was dominated by the following questions and comments from the audience:

- What was wrong with mergers? Or take-overs? Why shouldn't strong institutions take over weak ones? Were mergers only a remedy for 'weakness'? Why shouldn't strong institutions merge to create even better synergies?
- The distinction between 'weak' and 'strong' institutions was too crude. Some relatively

weak HEIs might have real areas of strength, and vice versa. Take-overs might submerge the traditions and values of weaker institutions, some of which embodied valuable experience. Would large institutions concern themselves with the problems and needs of students currently catered for by small local campuses?

- Would restructuring help to improve access to tertiary education? Given the enormous diversity of learners in South Africa, shouldn't



there be a greater diversity of institutions – including world-class research centres, institutions focusing on high-quality first degrees, community colleges – rather than mergers? Wouldn't this improve access and equity, providing different learning pathways?

- Had the NWG failed to grasp the nettle by not acknowledging that certain institutions had fallen so far below required standards that they were no longer capable of functioning as universities?
- How would the reform plan be paid for, and would it bring savings – particularly in view of the fact that the education budget was falling from 23 per cent of the national pie in 1998/9 to less than 20 per cent in 2003/4?
- Was there an exaggerated emphasis on structural reform, and not enough on improving the quality of tertiary education? Had the NWG been remiss in not considering curriculum issues? Were institutions such as the 'untouchable' universities pursuing the right curricula, and producing the right kind of graduates, for South Africa's new democracy?
- South Africa was not producing a sufficient number of PhDs to sustain the higher education system, let alone transform it, or meet the needs of the economy.

Professor Reddy pointed out that the NWG's terms of reference were concerned with institutional restructuring and did not include curriculum issues. These involved sensitive questions of academic freedom, and were in the first instance very much a matter for HEIs themselves.

During an extensive discussion around the NGW's recommendations for amalgamating institutions, **Professor Figaji** said that in some circumstances take-overs might be warranted, but should not be called mergers. In response, **Professor Reddy** commented that 'take-overs' belonged to the world of business, while mergers – which implied a process of negotiation – were more appropriate in the academic world.

The NWG's proposals for the Western Cape, **Professor Figaji** said, illustrated the lack of clarity about the criteria used in recommending mergers. The only justification to be found in its report for the merger of UWC with Peninsula Technikon was their physical proximity. **Professor Reddy** argued that the NWG's recommendations had been thoughtful and deliberate. There were serious doubts about UWC's sustainability. It faced fierce competition for staff, students, and resources from nearby universities and technikons. Merging the two institutions, with their similar institutional cultures, would consolidate student numbers, bring economies of scale, and create synergies in teaching and research.

Questioned on whether the universities of North West and Potchefstroom – also targeted for merger – shared institutional cultures, **Professor Reddy** said there were many different reasons why amalgamation might be appropriate in particular cases. North West and Potchefstroom reflected apartheid divisions. The aim was to transcend these so as to serve the needs of the region in which they were situated more effectively, through institutional reorientation and a redistribution of programmes.

Professor Figaji said the NWG report was somewhat schizophrenic in arguing, on the one hand, that universities and technikons should be kept distinct, while at the same time seeking to combine some of them in new comprehensive institutions. It was questionable whether there had been sufficiently broad consultation on the proposed changes. In response **Professor Reddy** said that while there might be objections in principle to the creation of comprehensive institutions, the intention was to cater more effectively for a diversity of needs and functions and extend the reach of HEIs offering technikon-type courses.

The future of HDIs provoked a wide-ranging discussion among members of the audience. In this context,

Mrs Bradley commented that she did not understand why Dr Hendrik Verwoerd's apartheid creations were receiving such support in present-day South Africa. These institutions had been established for all the wrong reasons, with no consideration given to their financial or academic viability or the country's needs. South Africa simply did not have the resources to transform the so-called bush-colleges into effective institutions. **Professor Nkondo** insisted the aim was not to

preserve the legacy of apartheid, but to create new and truly indigenous institutions. Their physical location should not be an overriding consideration; Ben Gurion University in Israel, built in a desert, was now one of the best in the world. However, the real issue was what would it take to transform all existing institutions, the University of Cape Town as well as the University of Venda, into genuine South African universities.

This prompted debate on whether HEIs could be uniquely South African. For **Mrs Bradley**, a 'South African' university should in essence be a normal institution of learning and research like others elsewhere in the world, but which happened to be situated in this country. **Professor Nkondo** argued that truly South African universities would be non-racial, in a historical context where a new nation and a new culture were in the making. Higher education had yet to explore the full implications of president Thabo Mbeki's epoch-making, 'I am an African' speech.

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Concluding remarks

Summing up, **Mrs Bradley** emphasised the point that South Africa was not producing enough high-quality graduates to set the country on a growth path. Neither the NWG nor government had as yet come to grips with the essential requirements of higher education reform because they were too concerned to accommodate people who were fighting for their turf. **Professor Mthembu** stressed the need for strong visionary leadership by academics themselves, which was unfortunately lacking in many HEIs. **Professor Figaji** said that mergers should not be used to solve the problems of governance and management at certain institutions – the first priority should be to address the problems directly, and if that failed take-overs might be needed. But it was important not to confuse management issues with more fundamental objectives in restructuring higher education. **Professor Nkondo** said the national higher education plan isolated five challenges that had to be met: access, relevance, equity, diversity and research. The problem with the current proposals was that they focused on governance and structure; they were not based on a comprehensive curriculum audit, nor informed by a guiding educational philosophy. **Professor Reddy** said that South Africa had to transcend the legacy of apartheid social engineering, which had fragmented tertiary education. Radical solutions were needed to concentrate resources to

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enhance productivity, and promote equity and sustainability. This was all the more important in view of the projected impact of AIDS on undergraduate enrolments – with dire implications for the country’s human capital and economic capacity. Finally, he drew attention to the fact that while South Africa had focused on higher education over the past 10 years, it had grossly neglected technical colleges and community colleges – a sector that played a crucial part in high-growth economies and was very strongly developed in countries such as the USA, the UK and Germany.

Closing the discussion, **Dr Khotso Mokhele** observed that although the future of higher education had been canvassed so extensively since 1994, the debate still seemed to be intractable. How

would young South Africans themselves answer the questions that CDE had posed? His hope was that, in the future, millions of young people, alive now or yet to be born, would find an institutional landscape that would equip them to live as citizens of the world – enjoying a much richer life than South Africa’s past had bequeathed to the present. The challenges were all the more pressing because in our neighbouring countries the higher education sector was contracting, and South Africa’s role would become even more critical for the future of the region as a whole.



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