University of Johannesburg

Professorial inauguration: Shireen Motala

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Introductory remarks

I wish to acknowledge the presence of the Vice Chancellor, Prof Ihron Rensburg, Dr Sizeka Rensburg, Prof Saartjie Gravett, acting DVC for Research and Internationalisation, and Executive Dean in the Faculty of Education, Prof Brahm Fleisch, from the University of the Witwatersrand, members of the UJ executive, and the many colleagues, friends and family who are present here today. I am greatly honoured by your presence.

I would also like to acknowledge the presence of my mother Mrs Rabia Motala and my brother Irshad, who have joined us from Pietermaritzburg today. Both, in different ways, have supported, encouraged and celebrated this journey of mine with unconditional warmth and time, and for this I am very grateful. My late father, Dr Mahomed Motala, himself a community and political activist, and a fearless humanitarian, committed to social justice, has been the most significant influence in the choices and decisions I have made, particularly with regard to the importance of working towards social change.

To my own family, Fuad, Aalia, Ziyad, Raees and Zaheer, it is not easy being a social scientist in a family of economists, but your constant interest in matters educational, and in my varied research activities, coping with my never ending deadlines, and your robust engagement with ideas, have contributed to my work in untold ways.

To the VC, Prof Ihron Rensburg, you have been an important mentor throughout, beginning from NECC and EPU days, and then through the DoE, and presently at UJ. A fierce intellectual, you have informed and influenced my way of seeing things, and continue to do so. It has been a privilege to work with you, as I journeyed across institutions and explored new theoretical concepts and frameworks in higher education transformation.

Linda Chisholm has provided uncompromising intellectual rigour and newness to my work always, over many years, and I have valued this greatly.

Moving between two institutions, Wits and UJ, barely two kilometers apart, but so unique and different in terms of their cultures and traditions, has been an important experience. Colleagues both past and present have shaped, challenged and collaborated with me. I continue to learn from you everyday.
Equity in Education and Education for All: Critical Considerations

Professorial Inaugural Lecture

The purpose of this paper is to reflect on equity and inequality in South African schooling and higher education. In doing this, I will examine what I see as four major themes which cut across both these sectors: 'no fee' schooling and free higher education; education as a public and private good, and the relationship between social equity and education equity; expansion, equity and quality; and equitable funding models and approaches. In the process I will reflect on some of the major influences on my work, and my own contributions to the field.

Growing up in the throes of apartheid, in a home marked by political activism (one of my earliest memories is of a police raid at our house in Pietermaritzburg when Helen Joseph was visiting in the late 1950s), and then later witnessing the birth of the new democracy, I was struck by the presence of deep structural and systemic inequalities in our society, which appeared intractable. I responded with my own 'research activism', first in the trade union movement, and then honing these skills during my Masters degree in sociology, under the able tutelage of Professor Martin Legassick at Warwick University; and during my doctoral study, as a Spencer Fellow, where Professor Martin Carnoy at Stanford University actively mentored and challenged me to work with large data sets, in order to explain issues of funding inequality and equity.

Conceptually and theoretically, these beginnings led me in two complementary directions. The first was an attempt to understand the relationship between ideas, intellectual work and praxis. The most significant influences were Karl Marx's famous eleventh thesis on Feuerbach, that “philosophers have only interpreted the world, in various ways; the point is to change it”, Paulo Freire’s view that intellectual action must be directed at the structures to be transformed, and the later work of Hannah Arendt which suggests that philosophers need to engage in everyday political action or praxis, which she says is the true realisation of freedom. With the restructuring of education in South Africa firmly on my research agenda, underpinned by the premise that a better understanding is required of formal policy and practice to inform meaningful social change, I made use of the education reform paradigms of Noel McGinn and Michael Fullan and also shifted away from small case studies towards quantitative methodologies and mixed methods approaches.
A seminal work in this regard was the *South African Education Policy Review* (Chisholm, Motala and Vally 2003) which captured, in some 30 chapters, a critical evaluation of education policy reform and implementation after 1994. The impact of this work was such that, over ten years later, I was invited to assess how far we might have come since then, through contributions to the *New South African Review* (Motala 2013), to Clive Harber's *Education in Southern Africa* (Motala 2013), to the State of the Nation 20-Year Review (Motala 2014), and to the Twenty Year Policy Review commissioned by the Gauteng Department of Education (Motala, Morrow and Sayed 2014).

My second theoretical and conceptual journey seeks to understand equity. The concepts of equity and equality are of particular concern in South African policy discourse, not least due to the slippage between these two concepts and that of discrimination (Motala & Pampallis 2001; Sayed 2002). Equality has to do with sameness or, in public policy terms, non-discrimination (Rawls 1972; Secada 1989), whereas the concept of equity that has been influential in my work is informed by Van der Berg’s (2001) distinction between discrimination and inequality, Samoff's distinction between equity and inequality, Sayed's (2002) work on distributional justice, and Weber's (2002) view that equality helps us to define the specificity of equity. Drawing in particular on Rawl's (2001) later work, together with the work of Frazer (1997) and Gerwitz (1998), and seeking to differentiate between social justice and redistributive justice, and the conditions under which social and economic inequalities can be addressed, my research uses a definition of equality as sameness, and a definition of equity which encompasses social justice and advocates differential distribution to achieve its goals.

More recently, the Oxfam report (2016) and the work of Thomas Piketty (2014), Dani Rodrik (2016) and Kaushik Basu (2017) have put inequality into sharp and uncomfortable focus. Thomas Piketty provides detailed evidence to illustrate how inequality and inequity have increased amongst nations, leading to the development of a plutocracy. Basu (2017), noting that this rising global inequality has been accompanied by a surging sense of disenfranchisement that has fuelled alienation and anger, and even bred nationalism and xenophobia, also points out that “as people struggle to hold onto their share of the shrinking share of the pie, their anxiety has created a political opening for opportunistic populists, shaking the world order in the process”.

It is important to recognise that the changing form of the state and of public good provision is occurring in a global context where inequality rather than poverty per se has become the defining feature of political, social and economic life. Poverty, as Tawney said, is the unacceptable face of inequality: “What thoughtful rich people call a ‘problem of poverty’, thoughtful poor people call with equal justice a ‘problem of riches’” (Tawney 1913).
Against this global backdrop, I want to turn my attention to equity and inequality in schooling and in higher education in South Africa, and ask the simple question: how far have we come?

Schooling

The right of access to a basic education is a fundamental human right enshrined in the Constitution (1996). South Africa has also ratified various international conventions entrenching the right to education, from the 1989 United Nations Convention on the Rights of the Child, through the African Charter on the Rights and Welfare of the Child, to the Millennium Development Goals and Education for All. In terms of these commitments, government is obliged to offer provide free basic education to all children.

Central to South Africa's efforts to transform the inequitable system of apartheid into a democratic society which promotes equalized opportunities for all its citizens, is the establishment of a quality, equitable and democratic education system. While discrimination in social spending has been considerably reduced since the 1980s (Fedderke, de Kadt and Luis 2000), spending inequalities remain because of the high costs required to achieve fiscal parity in education.

Utilising both quantitative and qualitative methodologies, within a socio-philosophical paradigm, informed by social theorists such as John Rawls, Martin Carnoy and Bruce Fullan, I have wanted to understand the application of equity in the South African context with specific reference to schooling.

To fee or not to fee: funding in public schools

In the immediate post-apartheid period, a major emphasis was on distributing resource inputs through policy and legislation based on equity and redress, but by 1999 it was apparent that the education system continued to be characterized by ‘rampant inequality’ (Minister Asmal, Department of Education 1999; Modiba, Motala and Vally 1999). The South African Schools Act had empowered School Governing Bodies (SGBs) to take ‘all reasonable measures within its means to supplement the resources supplied to the school in order to improve the quality of education provided for all learners at the school’ (SASA, Section 21). In practice, this translated into the levying of school fees. This position was justified on the basis of limited state resources to provide free education, as well as the desire to improve school-level accountability by increasing community control over school resources. Not least, as Christopher Colclough of Cambridge University and Luis Crouch of the Inter American Bank had argued, user fees in public schooling were also a means of preventing middle class flight from public schools. Other researchers questioned, however, whether the gap between
richer and poorer public schools was closing, and whether the charging of school fees had permitted what was referred to as the privatisation of public schooling (Department of Education 2003; Fleisch and Woolman 2004; Motala and Sayed 2012).

Seeking to make education more accessible, government first introduced the exemption policy (SASA 1996) and the later the ‘no fee’ schools policy (2006). The latter, a refinement of the Norms and Standards for School Funding (NSSF), required that 60 per cent of available resources be distributed to the poorest 40 per cent of learners. Studies have found that the 'no fee' schools policy and the overall pro-poor approach to the financing of education in South Africa have had broadly positive redistributive effects, with the largest increases in allocations directed to poorer schools (Wildeman 2008). No fee schools made significant gains in terms of revenue and were better off even when the loss of fee income was taken into account, while households were relieved of the burden of having to pay fees (Hall 2010; Mestry 2012).

Despite these significant strides towards the equalisation of resources in public schools, inequality and inequity persist, due in part to differences in teacher qualifications, inadequate funding for non-personnel items, and differences between SGBs in terms of their capacity to efficiently govern their schools and manage their funds. Unequal performance outcomes continue to be the main differentiator between rich and poor schools and learners. In recent weeks, proposals have been made to curb the powers of SGBs, in order to effect equity in terms of admissions, language and funding (Sunday Times 29 October 2017).

In South Africa, debates over the appropriate balance between the roles of government, other socio-political institutions and the market (Sen 1999) has been taken up in relation to issues of decentralisation and community participation (Grant Lewis and Motala 2004; Dyer and Rose 2005), particularly how and whether education equity targets can or have been met through state-led provision and private contributions.

Research suggests that equality of educational opportunity has been significantly affected by the presence of school fees, in particular the levels of fees paid by those in quintile 4 and 5 schools (Fiske and Ladd 2004; Chutgar and Kanjee 2009). A finding from my own survey of 2000 schools in Gauteng was that school fees supported important quality differentials, lowering learner-educator ratios due to the employment of more educators (Motala 2006, 2009, 2012, 2014).

While state expenditure has equalised to a large degree in public schooling, and thereby racial equity, private contributions have offset this equalisation (Motala 2006). My analysis of private inputs into
school funding reveals that parental contributions continue to be the main determinant of differentiation within the public schooling sector. The greatest proportionate increases in private expenditure have taken place in the poorest schools (although from a low base), which perhaps illustrates that parents connect private contributions with quality schooling. Better-off schools have had a gradual increase in private expenditure, but from a high base. The marked ‘resource affluence’ of these schools illustrates the quality and equity differentials among public schools (Van der Berg 2012).

Recent research shows that one of the highest cost burdens for poor learners in schools is uniforms and the cost of food, the “hidden costs” of schooling (Van der Berg 2012; Naicker 2015). Hence, the removal of fees, or ‘no fee’ schooling, is insufficient. Rather, a full set of conditions must be put in place to equalise the conditions of learning attainment. These findings are of particular relevance for the debates over decentralisation and self-managing schools, and will no doubt reinforce scepticism that decentralised school funding leads to equity, efficiency and redress. While decentralisation is intended to create an enabling environment for democratic governance processes, it also requires a stronger state, at national and provincial levels, to respond to inequalities in the system that threaten equity and quality (Motala & Pampallis 2005; Prew 2011).

In fact, the most significant challenge in school financing and equity in South Africa is less about school fees and more about the ability of the government to deal with issues of adequacy (Fleisch and Woolman 2004). The concept of adequacy focuses not only on equalising education inputs, but also on equalising education outcomes and opportunity (Fiske and Ladd 2004); it thus has a strongly redistributive element, focusing on differential need rather than on available fiscal resources. Adequacy as a funding principle gives substance and content to the right of access to education.

In 2016/2017, education departments in South Africa spent about R310 billion on education (excluding private spending on schools), comprising around 7% of Gross Domestic Product (GDP) and just under 20% of consolidated government expenditure. But although education spending as a proportion of GDP is above the UNESCO benchmark of 6% for developing countries, some 80% of the budget is spent on personnel, suggesting that spending on other inputs is below international norms (UNICEF 2017).

Moreover, a general lack of clarity about how to calculate adequacy, and the use of a restricted definition thereof, one which excludes personnel costs, has meant that the potential to provide meaningful access, defined as education of sufficient quality, at least in terms of a more equitable distribution of resources, has been limited. Although continuous costing is being done by the
Department of Basic Education, the National Treasury and the National Planning Commission, there is still no firm evidence that the current costing per learner is correctly estimated and that the national adequacy benchmark is sufficient.

A more robust allocation framework worth considering would be a school allocation that favours individual poor learners, wherever and in whatever school they are. An even more significant development would be a funding equity framework that targets not only the 20% non-personnel expenditure but the entire gamut of state education spending, nationally and provincially, including, in particular, teacher allocations or personnel expenditure.

_Schooling as a public good_

Furthermore, what about those who cannot afford to pay fees at all, or only minimal fees? The market has responded to this in South Africa by creating a range of low cost private school options catering for families who cannot get their children into good public schools, but who can afford to pay fees. The proponents of low cost private schools (CDE 2016) argue in terms of promoting access and quality. There are risks attached to this approach, particularly how private forms of schooling affect the social functions of education, or the idea of the public good. To what extent does increasing private sector involvement imply that the state is relinquishing its responsibilities, particularly the social rights of all citizens? (Samoff 2017; Sayed 2017)

The effect of private forms of schooling on the public good is dependent on the nature of existing social and economic inequalities. Historical racial stratification of the education market has produced bifurcation and internal privatisation of wealthy public schools, with the logic of choice driving increased movement through quality levels in the system (Dieltiens and Motala 2008; Fataar 2015; Sayed 2016). In this context, privatisation results in further differentiation. The notion that enlightened self-interest best propels the public good can have only a limited effect in a context of systemic inequalities which push back against equity-driven interventions such as progressive funding policies. In this sense the individual choices made by parents have knock-on effects on the chances of others in the system (Lewis & Motala 2004; Pedró, Leroux & Watanabe 2015).
The many challenges of equitable funding policies bring into sharp relief whether, after almost two decades of only moderately effective reforms aimed at redressing the legacy of the apartheid era, there is a need for a fundamental policy rethink, including of SASA, to ensure that the requirements of the most under-resourced schools and the most marginalized learners in the system are prioritized.

While there has been progress towards equity, equality and redress in post-apartheid South Africa, the sobering reality, noted by the National Planning Commission (2011), is that an estimated 48% of the population live on less than US$2 a day, and that, at 0.67, the Gini coefficient is the highest in the world (Mail & Guardian 30 September 2016). The unemployment rate in South Africa increased to 27.7 percent in the first quarter of 2017, from 26.5 percent in the previous period. It is the highest jobless rate since the first quarter of 2004 as unemployment rose faster than employment than people joining the labour force (STATS SA 2017).

Social equity and education equity need to be addressed simultaneously, so that the low quality of education offered in poor communities does not continue to perpetuate their exclusion. Important progress is being made through the delivery of social grants (Bhorat and Cassim 2013), which address poverty and inequality, and as Patel (2013) argues, there are real long term benefits to this social investment. In line with Ball’s (2003) view of interlocking inequalities, South African education policymakers need to understand better that the mobilisation of social resources is critical to the reproduction of advantage and disadvantage. Educational and social provision must be viewed as an integrated platform to address poverty and underdevelopment. Earlier research illustrates that school inputs are more evenly distributed than societal income (Gustafsson and Patel 2006). Simply put, equity in education has progressed at a faster pace than equity in our society. Willms (2001) describes this as the “hypothesis of double jeopardy”: people from poor backgrounds are educationally vulnerable, but poor people who live in poor communities are especially vulnerable.

Data has also revealed the existence of a new set of class alignments, and new typologies of inequality, based on the ability or inability of parents to contribute financially to their children’s education. While the anticipated middle class flight from public schools has not taken place, the emerging deracialised middle class has taken full advantage of better-resourced public schools. The poor continue to be the worst off in terms of combined public and private expenditure. At each end of the spectrum are learners who are vastly worse off (indicating greater internal differentiation within the poor), or much better off, than their peers (Motala 2013).

Expansion, equity and quality in South Africa's schools
Let me now turn to the vexed question of why, in the context of significantly improved fiscal inputs into schooling, and the presence of complex finance redistributive mechanisms based on equity (through the equitable shares formula and the school funding norms), there continue to be such significant performance differentials in the public schooling system, in particular between rich and poor schools. Simply put, do resources matter?

As in a number of other developing countries, massification of education has not led to an improvement in education quality. While fiscal resource inputs are not the only means to the desired educational outcomes, they do, however, have an effect on learner performance. Fiscal resources do not necessarily translate into scarce real resources (qualified teachers and school management) required to improve school performance, and even where resources are available, their effective utilization is not guaranteed.

While the state has a mandate to achieve both equity and quality, the evidence shows that the state has succeeded in achieving a degree of the former, but not the latter. What is meant by quality is complex. Carrim (2013) provides a useful typology of the different approaches to quality in South African education. Sayed and Ahmed (2011) suggest that while for the state, equity/quality is conceptualised in a simple input-output model, it is in reality far from clear how these processes converge and diverge at the policy level and whether both are being addressed. Soudien (2007) suggests that the racialised identities of the emerging middle class as they enter formerly white schools continue to affect them and that discussions of school improvement and quality must take this into account. Harley and Wedekind (2004) suggest that the visionary aspects of the curriculum have allowed protagonists to overlook the profound inequalities in South African schools, and as Soudien et al (2012) notes, policy has failed our teachers and learners by paying insufficient attention to the race-class nexus in which they find themselves.

Twenty three years since the first democratic elections, South African learners are far from mastering basic and minimum competencies across the curriculum. Despite significant strides in access and nearly universal GERs and NERs, national and international benchmarking tests graphically illustrate that little learning is taking place. Worse still, it is the poorest and the most marginalised among these learners who are especially affected by poor quality education. International tests such as the Monitoring Learning and Achievement (MLA) test administered to Grade 4 in 1999, the SACMEQ test written by Grade 6 learners in 2011, the TIMSS test administered to Grade 8 learners in 2003 and 2009, and the PIRLS test conducted with Grade 5 learners in 2011, suggest that South African schools are among the worst performers in mathematics and literacy in comparison with their
southern and eastern African counterparts (Bloch 2009; Taylor 2011). In the 2006 PIRLS test, 43 per cent of South African learners were not able to reach the low international benchmark. SACMEQ III (2011) focussed on education inequality, and noted that the poorest 20 per cent of learners in South Africa perform far worse than their peers in other African countries. In the 15 countries in the region, the poorest learners in South Africa were at 12th place for reading, and 14th for numeracy (Spaull 2013).

My participation in the international Consortium on Research on Equity, Access and Transitions in Education (CREATE) between 2007 and 2014 gave me an opportunity to more closely explore the relationship between access, equity and quality. CREATE, which brought together partners from Ghana, India, Bangladesh, the UK (Sussex and London) and South Africa, and developed the concept of “meaningful access”, utilising the notion of epistemic access introduced by the late Wally Morrow, eminent South African scholar, in the 1980s (Lewin 2007; Motala 2014). It also introduced the concept of silent exclusion (referring to children who are present in classrooms but learn very little). It illustrated, using an age cohort analysis, how patterns of participation in schooling are an important predictor of future education outcomes; it provided new analysis of supply and demand side constraints on access using the census data of 2011; and used distributional targets, linked to poverty and equity, to critically evaluate resource redistribution mechanisms and the effect of school fees in the public schooling system. It provided new insights into why large numbers of children in Africa and Asia fail to complete a full cycle of basic education, which not only has adverse consequences for them and their societies but also perpetuates intergenerational cycles of poverty. The impact of the CREATE research was significant nationally and internationally, informing the Education for All and Millennium Development Goals international frameworks. A host of publications emerged, influencing national and international discourses, including contributions in the prestigious international journals Comparative Education (2009), Compare (2011) and the Journal of Social Policy and Administration (2012).

Let me return to the question of whether resources matter, and influence school performance. Apartheid bequeathed a highly unequal education system, characterised by massive fiscal differentials in spending on children from different race groups. By 2006, these differentials had been largely eliminated, except for infrastructure differences. The remaining differential is because the more affluent schools have better qualified teachers and therefore earn higher salaries. This results in differentials in per pupil spending between black students in higher and lower quintiles and also reflects differences in teacher qualifications between urban and rural schools. An important spending differential is non-personnel expenditure, which former white schools had had paid through public
funds. Hence, despite the equalising of expenditure, which addresses racial equity, there are still large performance differences between different parts of the schooling system.

These have their origins in fiscal spending differences, in private contributions into public schooling (in particular for employing more teachers through SGB posts and lowering learner educator ratios), in the effect of home background and in efficiency differentials between schools. Poor children in more affluent schools achieve at a higher level, which means there is a higher conversion of inputs into outputs in more affluent schools. All these, as Van der Berg (2012) notes, together with the accumulation of cognitive deficits because of nutritional deficiencies, and limited access to early learning opportunities, means that "for those [learners] who are in historically black schools the prospects of achieving high quality outcomes are bleak".

A new conceptual model of equity

There remain many questions about whether the pro-poor policy and the fee free trajectory are genuinely on track towards fundamental transformation or whether they are merely ameliorating, without overcoming, existing funding inequities. For example, in relation to the fee exemption policy, schools do not receive any compensatory funding for exempted learners and this creates a disincentive for schools to inform parents of this right (Hall 2010; Sayed 2016). Similarly, the no fee schools policy is unlikely to have a major discernible impact on physical access to education, since South Africa already boasts a high net enrolment rate, and so for the policy’s pro-poor effects to come fully into play, much more attention will have to be paid to improving the quality of education at all schools, the no fee schools first amongst them.

What we need is a new conceptual model of equity, relevant to our specific context, which prioritises differential distribution. First, the state needs to follow a more aggressive approach to redistributing resources, particularly human resources, with the priority on poor schools. It is deeply problematic that the well-resourced schools in middle class areas are also the ones with the most highly able teachers. In contrast, the most able, committed, and motivated teachers should be found in schools serving the most marginalized communities. Second, the state should create more opportunities for mixed schools instead of letting the soft zoning catchment policy result in schools populated by the middle class and with a huge cultural capital advantage. In doing this, it would address poverty and disadvantage as well as forms of accessibility and choice. Open access, while present in policy, is difficult for the majority of learners to take advantage of in practice. Third, redress in financing should not simply be about how operating cost resources are allocated. Instead, it should be about ensuring that the financing formula, including the equitable shares formula and the school funding norms, is
more directly and obviously skewed in favour of disadvantaged learners. This may include introducing conditional grants based on equity criteria for poorer provinces.

Collectively, these measures will require the state to tackle middle class fear and flight head on. Radical transformation requires a state that makes a conscious and explicit choice in the direction of equity. This requires political will and commitment. But it also requires a strong and active civil society that can hold the state to account, as transformation cannot rely solely on the good intentions of the state. Such an approach calls for a public policy centred upon a notion of education as a public good. Without equality, the pro poor intentions of education policy may not be realised.

**Higher Education**

Since 1994 and the advent of democracy, government and universities have pursued equity in higher education in the context of limited public finances, requiring the making of uncomfortable choices and decisions. In 2015 and 2016 students strongly reacted and protested against some of these decisions, particularly the fact that the focus on equity and redress, without concomitant support for students who come poorly prepared from the schooling system, has negative implications for quality, limiting the production of high quality graduates with requisite knowledge, competencies and skills.

This second part of my presentation addresses some of the major fault lines in the debate on education funding and resource allocation in higher education, identifying key issues and the seemingly intractable trade-offs associated therewith. Themes similar to those which informed my review of schooling follow: expansion, equity and quality; ‘fee free’ higher education for all or for the poor; higher education as private and public good; and models and processes for achieving equity in higher education funding distribution.

*Expansion, equity and quality in higher education*

The increasing demand for higher education, due to globalisation and the rise of the knowledge economy, is reflected in fast-growing higher education enrolments in sub Saharan Africa, with a growth of 10% annually between 2000 and 2010 (Wangenge- Ouma 2010; Rensburg, Motala and David 2016). Higher education has been shifting from an elite system to one promoting universal access, leading to a review of education financing models. Equitable access to higher education appears to be based on two criteria: there must be sufficient places so that all members of society
who want to, and who have the academic experience and ability to do so, can participate in higher education; and individuals must have a fair opportunity of obtaining a place in the institution of their choice (McCowan 2012). This principle of fairness and equality of opportunity underlies the nature of the student demands in 2015 in 2016 – they should not be excluded if they qualify in terms of admission criteria, and they should have access to institutions they choose. The latter point presents a powerful challenge to the current bifurcated tertiary education landscape (Allais 2016).

Consider the statistics in relation to the major indicators of access, efficiency, quality and resource allocation in tertiary education. Student enrolments have increased dramatically, by 67% between 2002 and 2014, and the major growth has been in African enrolment, reaching 70% of the total student population. In the same period, the growth in permanent academic staff was 20%, and the headcount staff-student ratio grew to an alarming 1:55 from an earlier base of 1:40 (Simkins 2016).

Cohort studies (CHE 2013) show that of the students entering a three year degree, less than half complete, and of those who do, up to 50% take up to six years to graduate. One in four students (excluding those at UNISA) drops out before the second year of study. Only 35% of the total intake, and 48% of contact students, graduate within five years. While allowance is made for students taking longer than five years to graduate or who are returning to the system after dropping out, it is estimated that some 55% of an intake will never graduate. Access, success and completion rates continue to be racially skewed, with white student completion rates being on average 50% higher than African rates.

The proportion of government funding to universities decreased from 49% in 2000 to 40% in 2014 (Cloete 2016). Fees increased in the same period by 9% per annum in comparison with a 5% to 6% inflation rate. What is apparent is that we have a higher education system under considerable strain, with low throughputs, rising enrolments, high staff to student ratios, and an unsustainable funding base, with poor NSFAS loan recovery. To maintain a competitive edge in a rapidly transforming knowledge economy, countries need to invest more in quality education. But historically, South Africa has not invested enough in higher education (less than 1% of GDP), nor has it reached its own target of 1% on Research and Development, a figure which is well below international targets. Most comparable countries are spending closer to 2% of GDP, with some, like China, spending 3% (Cloete 2016). As a percentage of GDP, higher education funding decreased to 0.67% in 2015.

Evidence of a system under strain is illustrated by steady reductions in building maintenance, and enrolment caps where enrolment growth exceeded the real growth in the public funding of education. Whitehead (2017) observed as early as 1998 that NSFAS was being funded at inadequate levels and
that the amount of funds disbursed to individual students was not sufficient to cover the actual cost of
attending higher education. While NSFAS funding increased rapidly to R17 billion in 2017, she notes
that fees continue to rise higher than NSFAS funding, and there are concerns about
maladministration. The NSFAS model also did not accommodate the “missing middle” who do not
meet the criteria for such funding, but whose socio-economic status exclude them from accessing
tertiary education.

A key priority in relieving funding pressures is to improve the internal effectiveness and efficiency of
the higher education system and, indeed, the schooling system, bringing to the fore the relationship
between equity and efficiency. This requires systematic interventions to address the knowledge and
skills gap between school and university, through restructuring a curriculum and qualification structure
to suit the socio-economic and educational background of students entering higher education.

Fee free education for all or for the poor

Calculations of the cost of providing free higher education often draw on examples from developed
countries. In Africa, early post-independence provision of free higher education was for small
numbers, and proved to be unsustainable. Research from Africa and Latin America argues that free
public education benefits the rich far more than the poor, because students from the wealthier classes
are in a better position to compete for access to selective public universities, while all but the most
gifted students from poorer backgrounds are relegated to private fee-paying institutions or public
institutions of low quality. Oketch (2003) highlights distributional problems in education funding in sub
Saharan Africa with strong competition between basic and higher education, Archer (2015) argues
that this situation is regressive in that the poor subsidise the rich, and Barr (2004) notes that even in
OECD countries government higher education subsidies predominantly benefit the rich.

In our current discourse, there is a slippage between the concepts of ‘fee free education,’ ‘free
education for all’ and ‘free education for the poor.’ In the debates which have followed the recent
wave of student protests, those calling for fee free education for all focused specifically on the
demand for no fees for all students, the free education for all advocates included fees and the related
full costs of education provision, which included housing and subsistence, and the free education for
the poor supporters proposed a model which differentiates students into groups or categories based
on parental income. Different concepts have different consequences. Cloete (2016) argues that, in a
developing country, the call should be for “affordable higher education for all”, with a clear
understanding that affordable means different costs for different social groups. This can be expanded to the provision of free education for the poor, with an agreed definition of which strata of society constitute ‘the poor’ (Motala 2016). Mngomezulu et al (2017) make clear that while a fee remission is an important equity gain in a society characterised by high levels of inequality and poverty, a consideration of social inequity also requires attention to the full package required of accommodation, books and subsistence. Whitehead, citing Van den Berg and Raubenheimer (2015), describes a lack of food and housing as a “powerful force” which contributes to poor academic performance, an inability to meaningfully participate in campus life, and attrition. Wangenge-Ouma (2010) notes that, with the shift from an elite to a more representative student population, the needs are greater, and must include the full package for the poorest in our society.

Proponents of ‘free education for all’ suggest that current models, which classify households into income groups and apply means tests, are flawed, because they lead to increased vulnerability for the poor, high levels of indebtedness, reduced savings towards retirement and a compromised standard of living (Oxfam 2016). Instead, one might consider increasing corporate tax from 28% to 30%, and the skills development levy from 1% to 3%, and dealing decisively with corruption. Such an approach, which concentrates on the structural aspects of inequality and uses tax revenues for the purpose of higher education funding, is preferable to the idea of a differentiated approach to the “rich” and “poor”.

Also persuasive is the argument to make free education available to the poor, based on the available disposable income of the family, through a differentiated post school system, with differentiated funding and fees. Teferra (2016) notes that a number of African universities, in Uganda, Malawi and Kenya, have moved away from free higher education for all, to cost sharing and to ensuring that university resource bases are both consolidated and diversified. This redistributive model is gaining support in South Africa, with the premise that free education must be made available to the poor and ensuring that the wealthy pay their share.

Higher education as private and public good

Higher education is arguably both a private and a public good, and there is a trend worldwide to expect individuals to pay more for the costs of their higher education. As noted earlier, decreases in state expenditure on higher education meant that student fees had to be increased to compensate for
the lack of income. The profitability of investing in education can be calculated by undertaking a cost benefit analysis which reviews the social and private returns to education.

Higher education has a major effect on economic development and private returns. In sub-Saharan Africa, returns to tertiary education are higher than returns to schooling, and South Africa has one of the highest returns to higher education in the world (Psacharopoulos and Patrinos 2002), bringing considerable rewards in the form of both wages and employment opportunities. So the private rate of return to education presents a persuasive argument for an increase in private fees, but the high social returns also indicate that investment in education is a profitable investment for the state since it impacts on positive externalities such as health and welfare (de Villiers and Steyn 2007).

Two factors preventing the effective development of higher education is its slow growth, the credibility of parts of the post school system, inefficiencies across the entire education sector, and concomitant capacity constraints. South Africa has high returns to graduate employment and high tax collection which could bolster the argument for low fees or no fees. But low graduation rates make this a less feasible option. Wangenge-Ouma and Cloete (2008) suggest that South Africa’s higher education system can be characterised as low government investment and low effective participation with very high costs. It is affordable for the elite, relatively affordable for the middle class with loans and debt, and totally unaffordable for the poor. For South Africa to drive development and growth, government needs to invest more in tertiary education, increase participation with improved completion rates, and establish a differentiated fees structure.

Indeed, to effectively contribute to economic growth and development a much higher participation rate (in the realm of 30%-50%) is required in higher education, well above the current rate of 20%. A CHE report suggests that higher education needs "between twice and three times as many well-prepared entrants as the pre-tertiary sectors [schools and colleges] are currently producing – around 100 000 additional candidates". But neither the schooling nor the technical and vocational education and training (TVET) college systems make this achievable in the "foreseeable future" (CHE 2013).

Modelling funding equity

Over the last five years, several Ministerial task teams and commissions have examined the chronic underfunding of higher education and assessed the possibility and promise of free tertiary education. These include teams led by Deputy President Cyril Ramaphosa (2012), Derrick Swartz, Vice Chancellor of NMMU (2013), Sizwe Nxasana, Chairperson of NSFAS and CEO of FNB (2015), and the CHE (2016), not to mention the pending report by the Heher commission (appointed 2015).
Alongside these deliberations, independent researchers along with civil society organisations, USAF, NSFAS and a number of tertiary institutions have built up a significant body of knowledge on higher education funding (Motala 2016). A number of models have been presented, with different scenarios, including their likely impact in a context of low economic growth with a constrained fiscus. Questions have been asked about the viability of the current funding model, and about whether, in a developing country, free higher education is affordable or even desirable. Current mechanisms for dispensing student financial aid are also under intense scrutiny; and a more equitable allocation of resources for the entire education sector, one which is viable, credible and inclusive, is being considered. The relationship between poverty, access to quality education, and societal change has highlighted such systemic issues.

There seems to be unequivocal consensus that any new funding model must be based on a social justice approach – simply put, no academically achieving and deserving student should be excluded from university because they cannot afford it. Publicly funded tertiary education for the poorest in our society, who meet the criteria for academic merit, must be made available as soon as possible. There is also agreement on certain key principles, which has shifted the discourse in a distinct manner: for example, that full cost provision for the neediest students must include accommodation, food and books; that the “missing middle” students who are outside the NSFAS criteria must be supported through a combination of grant and loans to guarantee their access; that funding for higher education must increase, and that a possible revision of the GDP contribution from 0.7% to 1%-1.5% must be considered. Undoubtedly, the diverse skills needs of our society and economy require serious attention to the entire cohort of young people in the 18-24 age group, and their learning needs (Motala 2017).

Students have put into sharp focus the inequalities in our society, and demonstrated their deep frustration with numerous inconclusive funding review processes, alongside poor governance, corruption and wastage. At the same time, the student movement appears fragmented, and their ultimate objective is not clear. To end the impasse, proposals need to translate into firm and achievable short, medium and long term commitments. The macro funding principles embedded in the above commitments are cost sharing, efficiency and quality, and education as a public good. This will go a long way to contributing to the much needed stability we require in our increasingly fragile higher education sector.

Conclusion
This presentation shows that a number of strategies have been put in place to address the many seemingly intractable problems in South African schooling and higher education and realise the dream of equitable and quality education. As always, policy is one thing, and implementation is another. Nevertheless, it is apparent that the necessary conditions for the delivery of quality decolonised education are adequate finance and human resources, involvement and a sense of ownership by role-players, regular monitoring and evaluation, and sustained effort. At both the school and tertiary levels, the issues are strikingly similar, and the education process needs to be understood as a continuum, for any interventions to be effective. Above all, it is essential to affirm and embed the notion that education is a public good, and foreground the view that equality and social justice must drive educational reform. In particular, differential redistribution must define our equity approach. Widespread community mobilisation is required to ensure that the undoubted gains in terms of education access and participation in schooling become the foundation for meaningful learning and outcomes which offer real life chances for our young people in further and higher education and in the labour market – and mobility out of poverty.

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