

Universal, Quality, Free Higher Education and Training

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Presentation based on Submission to the Commission of Inquiry into Higher Education and Training (Fees Commission), 10h30, Tuesday, 08 November 2016, City of Tshwane Chambers, Centurion.

Outline

1. Introduction
2. Participation is Core (Value and Means)
3. Education as Public Goods
4. Combined and Uneven Higher Education Sector
5. Proposals
6. Conclusions

1.1 Introduction

We are glad the question of funding Higher Education is being treated with seriousness, as we are most definitely at a crisis point at universities in South Africa.

What we are faced with in South Africa is a deep-rooted condition of unsustainable inequality, a government which has prioritized education as a vehicle for expanding access to employment and opportunity, but which has not funded Higher Education sufficiently to allow for that priority to be effective.

Universities are systemically underfunded and students are bearing the brunt of this because fees have been steadily increasing under conditions of privatization.

1.2 Introduction

The urgency that the student movement, and indeed many academics, have brought to the issue could be dampened and dismissed by the workings of the Commission, as has been the case with numerous other Commissions in the post-apartheid period.

Commissions have often been used as a way to sidestep and deflate political will and mobilization, without in any significant way engaging with the issues at hand or seeking to substantively resolve them.

The commission, which began its work in January 2016, is widely viewed as sluggish and unfocused.

Its completion date has been shifted, and there have been complaints about its lack of transparency.

More importantly, the commission's terms of reference are couched in the language of "feasibility".

Its mandate holds no clear and tangible commitment to exploring "fee free education".

In fact, how the commission's mandate is understood is itself the subject of conflicting interpretations.

2.1 Societal Participation as Core Value and Means

Alternatives to judicial commissions of enquiry are needed to mobilise public will and democratic accountability.

All people must be given the space to think more deeply about universal, free and quality public education as a constitutive condition for democracy and the public good.

It is already possible to begin this process at universities and elsewhere through events devoted to robust and critical dialogue.

Universities and similar public institutions have a responsibility and a significant role to play in guiding discussion about the criteria for framing public choice.

They can help people to understand how public funds are spent.

Importantly, they can provide spaces where the views of those marginalised and excluded can be recognised and heard. Institutional decision making, including at universities, must be democratised beyond limited managerial and even bureaucratised forms of engagement.

2.2 Student Engagement as Core Value and Means

Given the context in which these issues have arisen and remembering that many students themselves had and continue to express the demand for 'fee-free education for all', they should be widely consulted before any final decision is made on this issue.

Such consultation should be meaningful, open and frank and should be premised on seeking a long term and stable solution to this issue and to engender a long term commitment to stability in the higher education system.

We believe that this is only possible through such a process of respectful and collegial consultation about the policy choices related to higher education as a public good.

Especially important would be the avoidance of choices left to 'experts,' 'advisors' 'consultants' and the agents of institutions that represent a narrow fiscal driven approach to the provision of public goods like higher education.

3.1 *The Idea of the University*

- Public knowledge commons as key role of institutions of education as a public good
- Role of education in advancing meaning, concepts and practices of public good
- Role of state in delivery of public good to obviate the impact of private interest and commodification of education - also its constitutional role
- Public good as essential to democratic citizenry, social cohesion and the fight against socio-economic, political and other forms of inequality - gendered, class, 'race', geographic etc.
- Public good as constitutive of a different society from the present - however that is understood

3.2

1. Production and sharing of knowledge is essential to the development of human beings and indispensable to the sustainability and development of all societies in a complex and challenging world. The perception that higher education is merely a private good, and a commodity that can be traded, replacing public interest for commercial considerations, social concerns and purposes for business interests, and long term needs by short term demands will have dangerous implications. Higher education is not a business commodity which can be subject to liberalisation, privatisation and commercialisation and be bought and sold in markets. Higher education is related to the national culture and the values of a society and provides the setting for a new kind of social imagination and experience. They are also important social institutions that provide the setting for a very distinct kind of interaction among young men and women, between the generations and nations. Treating higher education as a commodity will perpetuate inequalities and divisions, impoverish our society and the potential of our citizens.

3.3

2. The costs of education are not easily reconcilable with narrow economic goals alone or to the rates of return to individuals since the remit of education is simultaneously individual, social and global and has qualitative attributes which are not measurable in conventional ways.

3. Especially in societies that are in transition from a traumatic and inequitable past – as in the case of South Africa – higher education must respond to the many and pronounced challenges faced by the state and society in its transformation, including those emanating from a raft of social, economic, political, environmental and other challenges amongst which are the intractable issues of inequality, poverty and unemployment.

3.3

4. The funding of education is not an end in itself but is essential for the achievement of the socio-political, cultural and transformative goals against the background of society characterised by the cleavages of racist oppression and exploitative social relations. The public interest is served particularly when students from poor families, those previously marginalised and first-generation higher education students receive quality publicly funded education.

5. The challenges faced by universities must be addressed since they are fundamental to the reconstruction of post-apartheid society. For that reason, universities should be funded as comprehensively as possible to discharge their important socio-economic, political and cultural mandates to the best of their capabilities.

3.4

6. We propose a more democratic model of public interest and public funding for the public good than an individually-based 'user pays' model, individual philanthropy or the vagaries of charity which is not sustainable.

7. In order to place the right to free education 'for all' in its proper social context and for it to become a public good, serious consideration must be given to the idea of responsible 'public service and citizen work' by the recipients of its benefits. Such a 'fellowship' would not only engender forms of social solidarity in those participating in such activities but develop a new consciousness beyond the narrow and largely self-interested limits imposed by the requirements of the formal job market.

3.5

8. All students are regarded as beneficiaries of public funding, and participants in a system prioritising the public good. In effect equal participation in the benefits of public funding by virtue of citizenship would support the creation of socially cohesive attitudes amongst students. It can be argued that such an alternative approach to that seeking to differentiate between 'rich' and 'poor' students is necessary for more far reaching structural and systemic change.

9. Tertiary institutions can build a sense of community. It is also a nation building imperative. It can transcend the social, racial, gender, and class cleavages that plague our society and frustrate national unity.

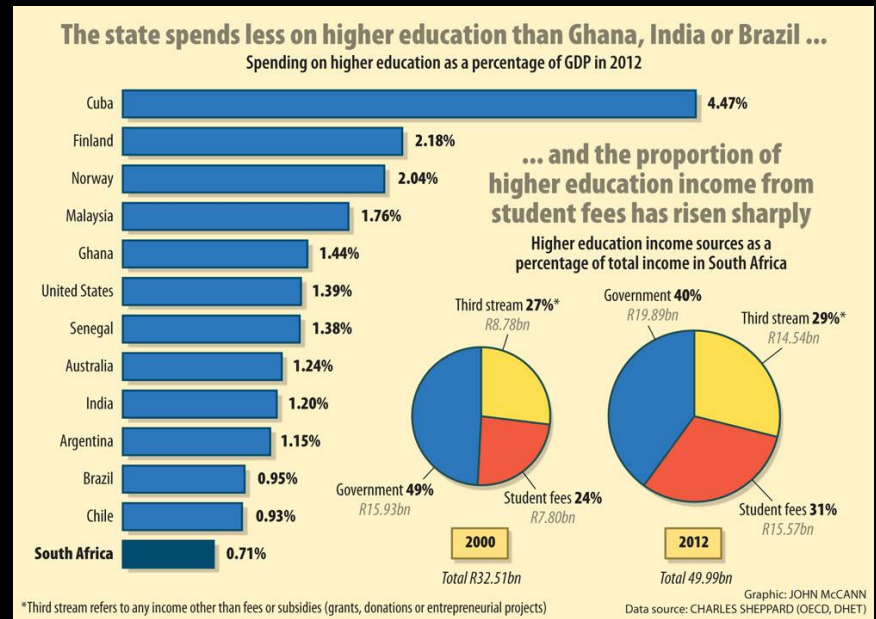
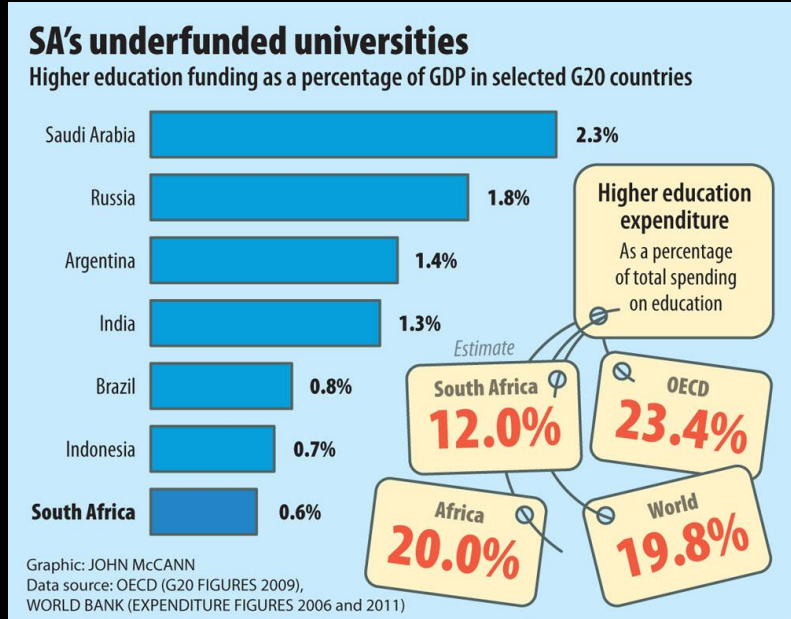
10. Quality higher education is essential to ensure that higher education is a public good.

3.6

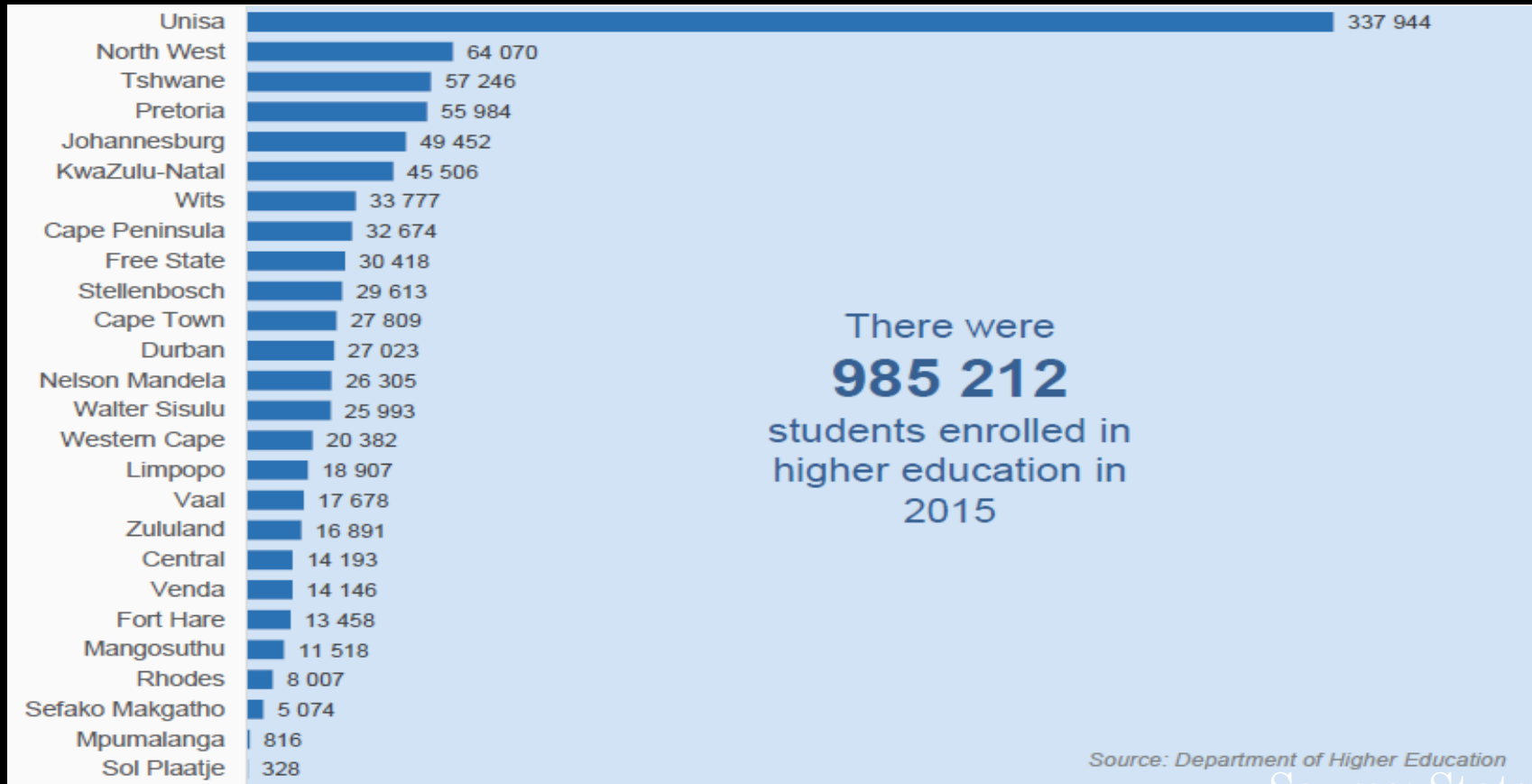
11. Although individuals will not be equal when education is made free, the spirit of such a policy must also have as its priority the goal of ending the culture of individualism, corporatisation and unnecessary managerialism that is pervasive in the university system. A properly funded university system is necessary to engender and encourage cooperation, collegiality, collaboration and a new social compact based on a set of values in which knowledge is not commodified and is socially relevant.

12. Public outcomes of higher education include giving students social and scientific literacy capabilities, and fostering effective citizenship, connectedness and economic competence, and these individual capabilities cannot be measured as merely private benefits. We need to go beyond a solely economic understanding of public goods without setting aside economics. Higher education has a deep capacity to address key global problems, such as ecological and social sustainability, that neither states nor markets alone are competent to solve.

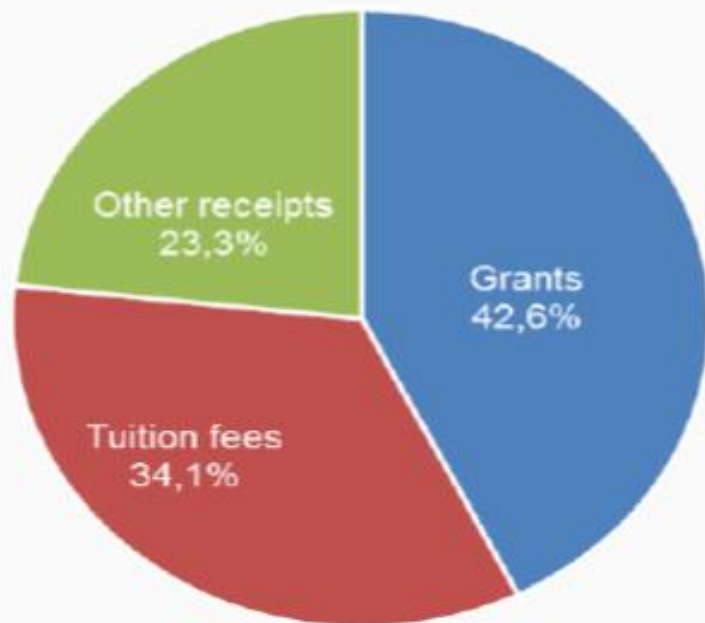
3.6 Comparative Underfunding of HEIs



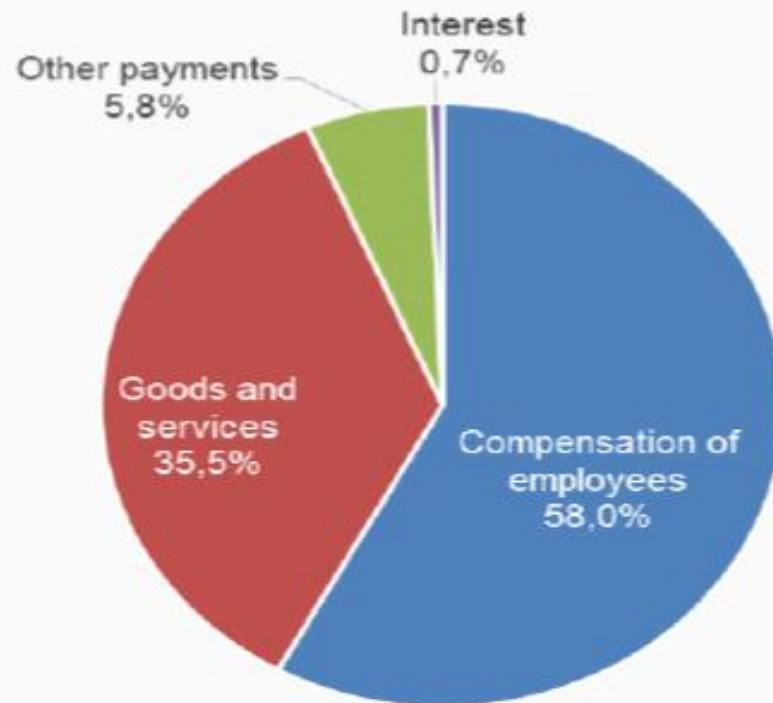
4.1 Combined and Uneven Higher Education Sector (2015)



4.2 HEI Receipts and Payments (2015)

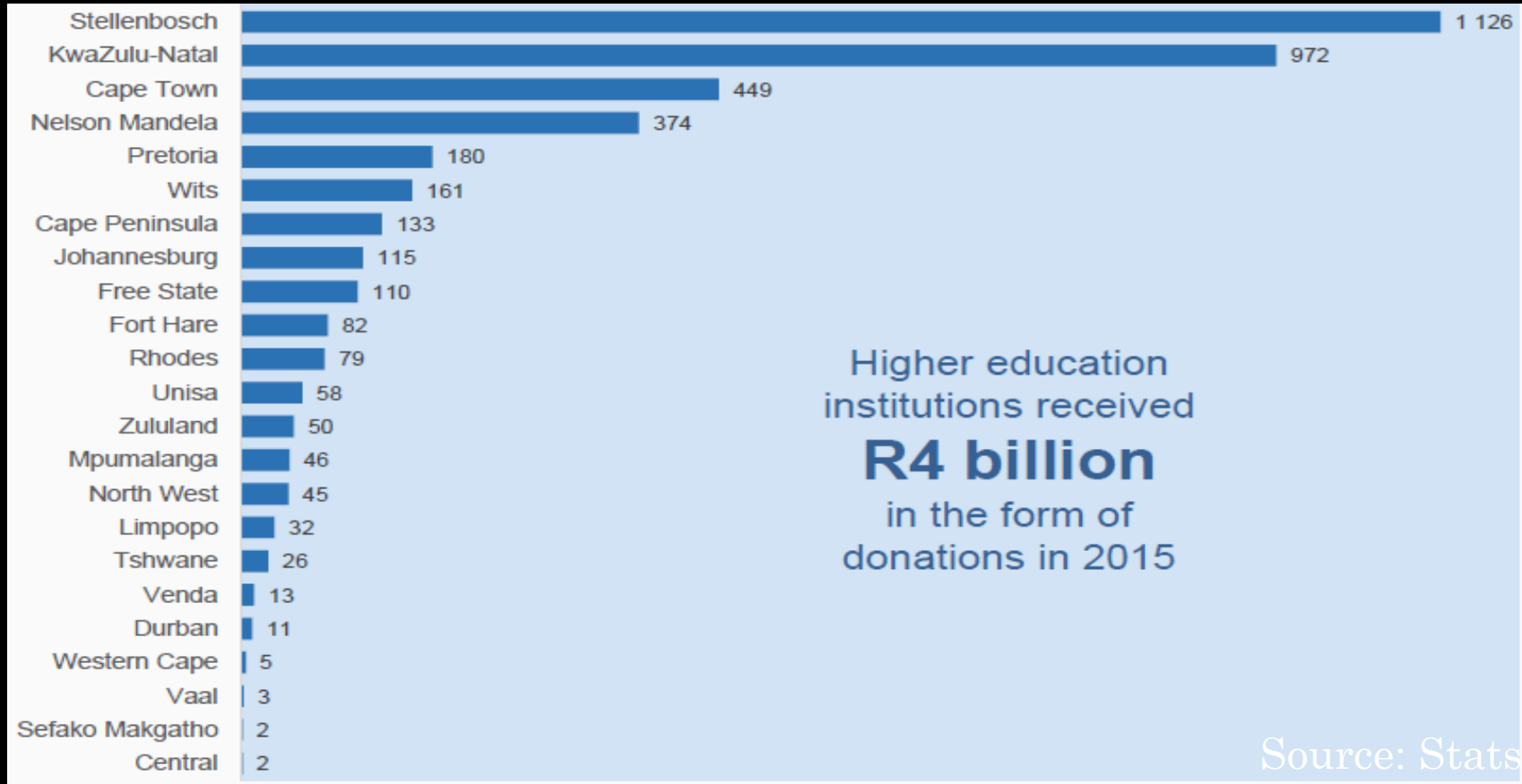


Receipts
(R63,1 billion)

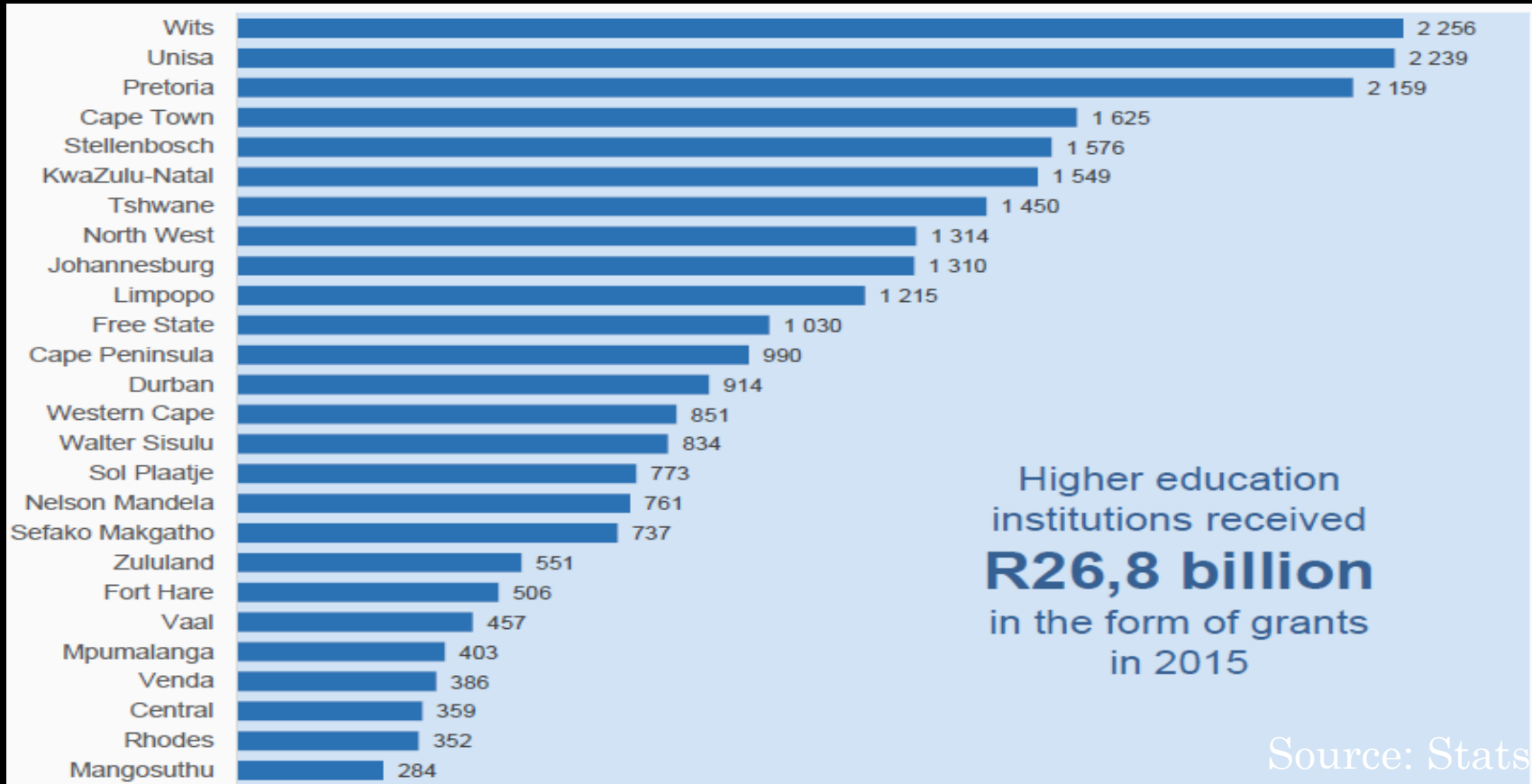


Payments
(R54,1 billion)

4.3 Donations to HEIs (2015)

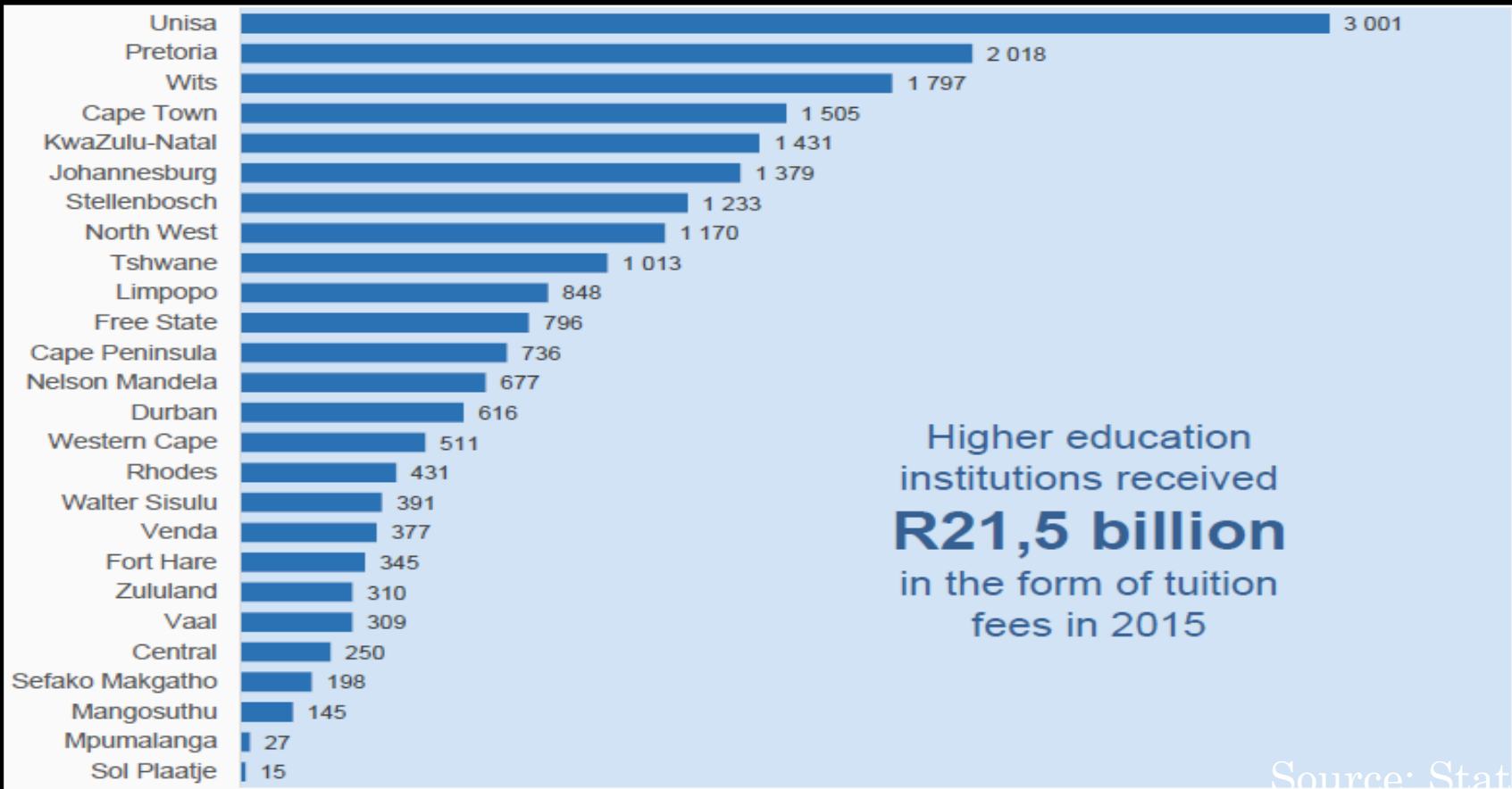


4.4 Grants to HEIs (2015)

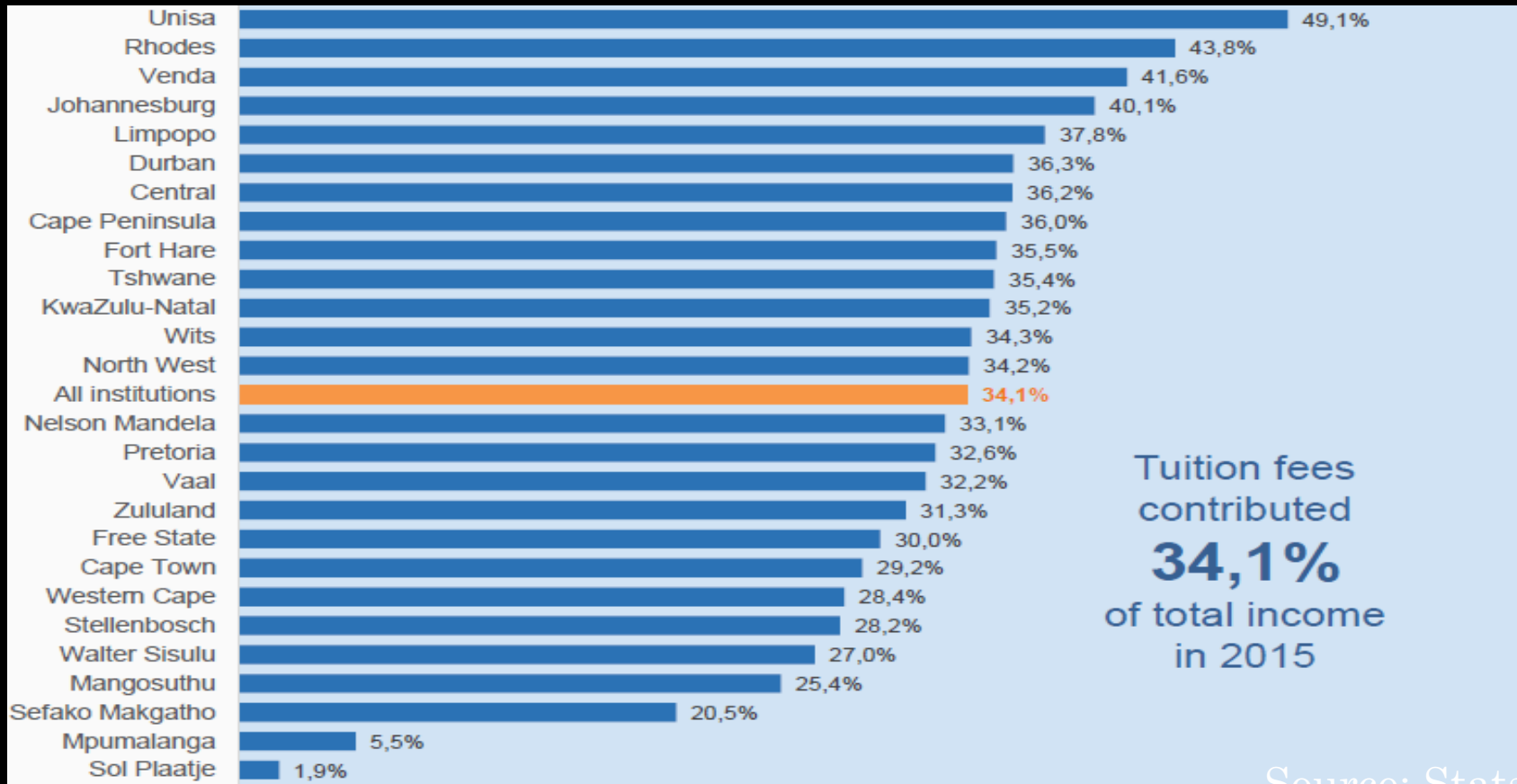


Source: StatsSA, 2016

4.5 Fee's to HEIs (2015)



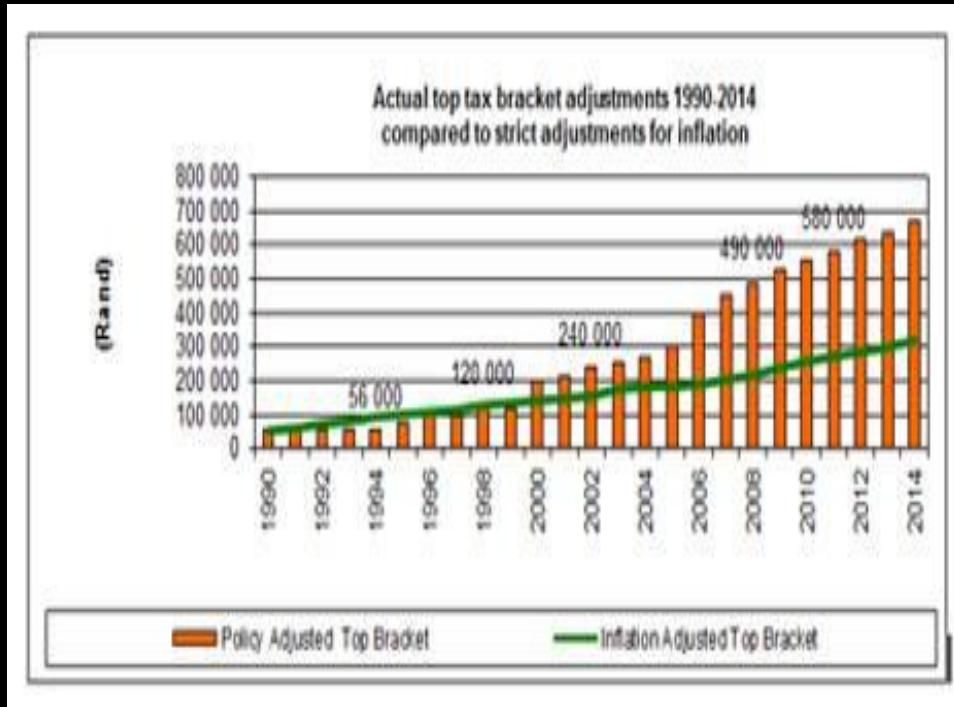
4.6 Tuition Fee's as % of HEI Income (2015)



5.1 Proposals

- The State must fund all fee's (tuition, registration costs, other study costs) for all eligible students through ring-fenced allocations to the Universities (MTEF 3-year cycle x 3 = 9 years).
- Initially, all other student costs to cover those 'in-need' should be drawn from NSFAS and the Skills Levy.
- Operational and Capital Costs must be funded discretely and separately from government allocations for specific purposes. This challenges Institutional discretion whilst not interfering with Academic Freedom.
- Size and Shape of Student: Staff ratio requires urgent attention and highlights the need for a better and progressive filter to ensure students entering HE have better prospects to complete their studies in a reasonable time-period.
- *"I agree with the ministerial committee's recommendation that Government should increase the level of spending on higher education. Increasing Government's spending from 0.75% of GDP to 2% of GDP will relieve the burden on students to fund their own education"* (Carelse, 2016).

5.2.1 *Reduced Revenues Reduce Expenditures*



- “compensating for fiscal creep’ = the same life style – to the extent that CPI reflects this – has been taxed less and less for more than a decade

Forslund, 2015

- Freeze tax brackets to pay for free education

5.2.2 Tax High Net Worth Individuals

- In 2013, there were about 4,200 individuals registered for an income of R5 million or more.
- Their average income (3,337 tax forms assessed) was R9.5 million, and the tax they paid was R3.7 million per person.
- Cap Gemini's "New World Wealth" 2014 report estimates that there are about 48,800 High Net Worth Individuals (HNWI) in South Africa.
- A HNWI has an income of more than R7 million, or R70 million in accumulated wealth.
- If only 10,000 of these HNWIs paid income tax like the 3,337 income millionaires did in 2013, this would yield additional R37 billion in tax revenue.

5.2.3 Tax Illicit Financial Flows of Corporations

Through *transfer pricing*, large firms, mostly mines, have under reported vast sums in revenue. Over several years the government has offered amnesty which firms have ignored. It is believed instead that since 1994 the illicit flows have continued.

Capital flight

Illegal capital flight from SA pricing	Time period
\$32bn (1985 prices)	1970-1993
\$89bn (2007 prices)	1994-2007

(Susan Newman:
Presentation at 3rd IIPPE
International workshop,
Ankara, Turkey)

5.3 Implications (Impacts & Outcomes)

- Wipe out student debt
- Pay all fees beginning 2017
- Redirect accommodation/meals costs to NSFAS/NSF
- Engage in proper, participative, and critical examination of
 - Costs of quality education
 - Epistemological and pedagogical issues including decolonization of institutions, learner/lecturer ratio, socio-linguistic and other
 - Infrastructural Challenges

Conclusions

- Education in general and higher education in particular is a public good
 - In the co-generation of the global knowledge commons, Higher Education and Training offers a critical institutional form to engage with poverty, inequality, racism, and class contradictions
- Combined but separate histories have revealed an uneven and iniquitous HET landscape
- Universal, Free, and Quality Higher Education and Training for All is possible
- We need a Participative and Deliberative Roadmap towards its achievement
 - *a tight time frame to budget for and implement fully-funded, free higher education*

(Forslund, 2015)

- Participation and Engagement are Core Values and Means of Transformation
- Student, Academic, Worker, & Management Engagements are Crucial in generating and sustaining changes in the Higher Education Institutions
- Integration with the Post-School Education and Training System is Critical for South Africa's endogenous development

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dankie*enkosi*ke a leboga*ke a leboha
ndi a livhuha*ndza khensa
ngiyabonga*ngiyathokoza*thank you

Obrigado

Спасибо

धन्यवाद

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