

Forcing universities to compete

Years of student unrest on many SA campuses make me wonder whether dissatisfaction is not initiated and maintained by deep-rooted distortions in the market for tertiary education.

France, the US and Japan all experienced university unrest during the past several decades. Was there a common denominator to such discontent that could also help explain recent upheavals in SA universities?

Professor Harry Johnson wrote in 1968 that student unrest was aimed at increasing student control of universities as well as influencing government.

Democratisation – meaning enormously increased enrolments – has altered the function of the university from that of providing a ticket to an elite job to merely supplying a “hunting licence”.

Staff, aware that they are no longer teaching the potential elite, have focused their efforts less on teaching and more on research and consulting – putting academic time, in their view, to more valuable use.

This creates disequilibrium between what students want and what staff deliver.

It is reinforced by government’s assumption of fiscal responsibility for universities. Funds are occasionally distributed generously, but most of the time parsimoniously.

Bureaucratic university government structures reinforce that effect, stifling the academic entrepreneurship that could help the system exploit new educational and technological possibilities.

Rapidly rising university student numbers, and a drift from physical sciences to the arts, show Johnson’s “democratisation” is as valid for SA universities now as it was for other universities 30 years ago.

In particular, it offers no guarantee of elite employment after graduation.

The flow of government money to SA universities has also been erratic. In recent years, government’s contribution has fallen from the 80% of total needs specified in its funding formula to 50%.

The resulting cutbacks on library resources and staff that universities had to make have been accompanied by rising student numbers.

An increasing number of students, moreover, come from disadvantaged backgrounds and need subsidies from their universities.

Given the real decline in academic salaries, the opportunity cost of remaining in university employment has risen. The response of some has been to emigrate to greener pastures. Others remain, but spend less energy on teaching and basic research, in order to boost their incomes by doing applied research and consulting.

The disease that laid low once-famous African universities such as Makerere in Uganda and Dakar in Senegal has been described by several writers.

State interference in the name of equity and justice was part of it. But the importance of university autonomy was appreciated only after it had been lost.

All of this indicates that the health of SA’s universities will be regained, not by increasing dependence on state funding but by reducing it.

That means universities must better satisfy their markets in competition with each other.

At present, however, SA universities constitute a cartel, if only because the government-bestowed right to confer degrees effectively blocks new direct competition.

The Committee of University Principals has even proposed that government – rather than demand by students – should decide how many students each university should have. The committee recommends that competition between the existing universities should be further discouraged by various methods.

A cartel’s failure to allocate resources efficiently is increased in universities by the system of tenure. Once a staff member obtains it, there is little a university can do should he or she prove unproductive.

The consequence is a disincentive to perform well. At the same time, there is an incentive to get out of teaching and research into university governance. And the more participative and democratic the governing style of the institution, the better, since governance then fills more time.

But a survey of US universities has shown that autocratically run institutions are more academically productive than those more democratically run. They also attract better students.

How, then, to provide dissatisfied students with an alternative to withdrawing or mounting campus protests? How, to get to the nub of the matter, to achieve closer linkages between students as consumers and universities as producers?

First, the cartel must be smashed. Any tertiary educational establishment in SA should be allowed to award degrees.

Second, all tertiary level students should be eligible for a full-cost loan to spend at the institution of their choice – state or private. The loans, renewable in each year of study on the basis of academic performance, should carry a real and compound rate of interest from the date of graduation and be repaid after graduation through the Receiver of Revenue.

These two innovations would eventually see the tertiary education sector responding to student demand. Institutions would have to compete ever more intensely for funds, students and academics.

And students would be better taught, whether in liberal or professional fields.

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This is a condensed version of a recent address to the Economic Society of SA
and is reprinted from the Financial Mail, January 1997.*