

Higher education, society, and economy in South Africa: what do we know about the relationships?

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Overview

- Kinds of information and analysis we have about these relationships in SA today.
- Relationship between a particular lens or focus, particular theoretical approaches, data, and arguments.
- We don't know nearly enough. Some directions for obtaining better insight.
- The act of measurement and the nature of measurement shapes systems

Funding policy lens

- The proportion of student costs has risen substantially in last 30 years
- Declining state expenditure per student is common internationally— funding mass higher education is a completely different fiscal prospect to funding elite higher education
- South Africa and African countries in general— many competing demands on the fiscus

Arguments for no fees (decommodification)

1. A sale price distorts the nature of education
2. A sale price restricts access to a key common good/ a sale price restricts access to an important vehicle for individual improvement—and means-tested welfare systems are humiliating and costly
3. Universities develop knowledge that benefits everybody (public good)
4. Universities train people who benefit everybody

Higher education and the public good

- **Higher education is argued to contribute to economic growth and development**

(Valero, A., & Van Reenen, J. (2016). *The Economic Impact of Universities: Evidence from across the Globe* (Working Paper 22501). Cambridge, MA: National Bureau of Economic Research.)

- **Higher education is argued to contribute to better health outcomes**

(Furnée, C. A., Groot, W., & Brink, H. M. van den. (2008). The health effects of education: a meta-analysis. *The European Journal of Public Health*, 18(4), 417–421.)

But:

- **Questions about these measurements**
- **What better information do we have for funding policy?**

(Oketch, M. (2016). Financing higher education in sub-Saharan Africa: some reflections and implications for sustainable development. *Higher Education*, 72(4), 525–539.)

Arguments for fee-based systems

- People value services that they pay for more.
- Those who benefit should pay.

But how do we know who benefits?

Research into rates of return

- **In the developed world:**

- Psacharopoulos, G. (1994). Returns to Investment in Education - a Global Update' World Development. *World Development Update*, 22(9), 1325–1343
- Psacharopoulos, G., & Patrinos, H. A. (2004). Returns to Investment in Education: a Further Update. *Education Economics*, 12(2), 111–134
- Woodhall, M. (1987). Human Capital Concepts. In G. Psacharopoulos (Ed.), *Economics of Education: Research and Studies* (pp. 21–24). Oxford: Pergamon Press.

- **In South Africa:**

- Borat, H., Cassim, A., & Tseng, D. (2016). Higher education, employment and economic growth: Exploring the interactions. *Development Southern Africa*, 33(3), 312–237.
- Cloete, N. (2015a). The Ideology of Free Higher Education in South Africa. The Poor and Middle Class Subsidising the Rich (No. Kagisano No. 10. Student Funding.) (pp. 115–124). Pretoria: Council on Higher Education.
- Cloete, N. (2015b). *The Third Force in South African Higher Education Activism*. Cape Town: CHET.

Derived from rates of return research.....

- Economists argue that education is the key factor in shifting labour market outcomes

van den Berg, S., Burger, C., Burger, R., De Vos, M., du Rand, G., Gustafsson, M., ... von Fintel, D. (2011). *Low quality education as a poverty trap. Stellenbosch: University of Stellenbosch.* (Research Report). Stellenbosch: University of Stellenbosch.

- Improved education “will lead to higher employment and earnings, while more rapid economic growth will broaden opportunities for all and generate the resources required to improve education.” (p. 11)

Why is all of this not very helpful?

- Proportions?
- Intrinsic or contingent?
- Circularity?

“As enrolment at tertiary institutions has increased during the last decade, especially among Black students, more young graduates have become unemployed.”

(Pauw, K., Oosthuizen, M., & van der Westhuizen, C. (2006). *Graduate unemployment in the face of skill shortages: a labour market paradox*. Presented at the Accelerated and Shared Growth in South Africa: Determinants, Constraints and Opportunities 18 - 20 October 2006, Birchwood Hotel and Conference Centre Johannesburg, South Africa. P. 22

Other ways of looking at graduate outcomes

- Employer expectations or evaluations
- Tracer studies
- CHEC. (2013). *Pathways from university to work. A Graduate Destination Survey of the 2010 Cohort of Graduates from the Western Cape Universities*. Wynberg: Cape Higher Education Consortium Study.
- Cosser, M. (2015). Differential pathways of South African students through higher education: Settling for less, but learning to like it (Unpublished PhD thesis). University of the Witwatersrand, Johannesburg.
- Koen, C. (2000). Graduate Employment and Student Satisfaction: Results from a Tracer Study of UWC Students (Report produced for the NRF). Education Policy Unit, University of the Western Cape.
- Rogan, M., Reynolds, J., du Plessis, U., Bally, R., & Whitfield, K. (2015). Pathways through University and into the Labour Market. Report on a graduate tracer study from the Eastern Cape John Reynolds, Ulandi du Plessis, Rod Bally and Kevin Whitfield (No. Labour Market Information Project Report 18). Pretoria: Human Science Research Council.

What does this tell us?

- **Much more than what a plausible guess would tell us?**

(Koen, C. (2006). *Higher education and work: Setting a new research agenda* (Occasional Paper 1). Cape Town: HSRC Press.)

- **They provide insight into the changing nature of work and labour markets, especially qualification inflation**

- Collins, R. (1979). *The Credential Society*. New York: Academic Press.
- Collins, R. (2013). The End of Middle-Class Work: No More Escapes. In I. Wallerstein, R. Collins, M. Mann, G. Derluguian, & C. Calhoun (Eds.), *Does Capitalism Have a Future?* (pp. 37–70). Oxford and New York: Oxford University Press.
- Dore, R. (1976). *The Diploma Disease: Education, Qualifications and Development*. London: Allen and Unwin.

Ranking systems

- Compare composite scores of universities on teaching, research, student experience, and interaction with industry
- Broad brush-stroke indications but that's not what they claim—
detailed hierarchies
- Tell us more about hierarchies within labour markets than meaningful
fine-grained distinctions between universities
- They shape the nature of higher education

Quality assurance

- Measurement of achievement against systemic goals
- Not very clear what it tells us—weak research credibility (ironically)

Durkheim

“Educational transformations are always the result and the symptom of the social transformation in terms of which they are to be explained.”

(Durkheim, E. (1969). On Education and Society. In J. Karabel & A. H. Halsey (Eds.), *Power and Ideology in Education* (pp. 92–105). New York: Oxford University Press. P. 92)

Durkheim again

“People involved in action are the least well placed to see the causes that underlie their actions and the way in which they represent to themselves the social movement of which they are a part should always be regarded as suspect and should by no means be thought of as having any special claim to credibility.”

(Durkheim, E. (1969). On Education and Society. In J. Karabel & A. H. Halsey (Eds.), *Power and Ideology in Education* (pp. 92–105). New York: Oxford University Press. P. 92)

So what do we know? And what do we not know enough about?

- Policy context