

THE ORIGINS OF FINANCIAL PROVISIONS IN THE SOUTH AFRICAN SCHOOLS ACT

by

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ABSTRACT

This research investigated the emergence on of financial provisions in the South Africa Schools Act (SASA). This was motivated by the need to understand key issues that helped to shape education policies in post-apartheid South Africa and specifically to analyse the bottlenecks and factors that affected the policy transformation phase.

The purpose of this research is to understand key issues that helped to shape education policies in post-apartheid South Africa and to examine factors that affected the policy transformation process.

The research used qualitative methodology in order to collect in-depth information from various respondents. The research employed both qualitative interviews and document analysis as a way of data collection techniques.

The research shows that the circumstances during the formulation of SASA do not support the notion that neo-liberal ideologies have direct implications for policy development in South Africa. It was recommended that further research could be undertaken on how these policies could best be improved to achieve desirable outcomes.

DECLARATION

I declare that this report is my own, unaided work. It is submitted in partial fulfilment of the requirements of the degree of Masters of Management (in the field of Public and Development Management) at the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination at any other university.

Nomfundo Patience Bembe

March 2011

DEDICATION

I dedicate this report to my family, particularly my daughter Tebogo Zipho eZinhle Lesedi Bembe, my late mother-in-law, Bonakele Rhoda Ngwenya, and my lovely husband, Siphiwe Ngwenya. I have sacrificed quality time with my daughter and family to complete this piece of work.

This is also dedicated to my parents, Kenny and Zodwa Bembe.

I also wish to express my appreciation to my sisters, brother and friends for their support. This phase was not without the greatest challenges of my life.

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My heartfelt gratitude goes likewise to Mr. David Matsepe for their magnificent positive spirit and unfailing support and sacrifice that sustained the “marathon” during the tough going which put me on “chain of mountains” learning to climb that resulted in constant reinvention, precious insights and endless tests.

LIST OF ABBREVIATIONS

ACDP	African Christian Democratic Party
ANC	African National Congress
CEM	Council of Education Ministers
COSATU	Congress of South African Trade Unions
DET	Department of Education and Training
DoE	Department of Education
ELRC	Education Labour Relations Council
EPU	Education Policy Unit
ERS	Education Renewal Strategy
FEDSAS	South African Federation of State Aided Schools
FF	Freedom Front
FFC	Finance and Fiscal Commission
GEAR	Growth Employment and Redistribution
GNU	Government of National Unity
HOA	House of Assembly
IMF	International Monetary Fund
ISS	Interpretive Social Science
MTEF	Medium Term Expenditure Framework
NECC	National Education Coordinating Committee
NEPA	National Education Policy Act of 1996
NEPI	National Education Policy Investigation of 1992
NNSSF	National Norms and Standards for School Funding
NP	National Party

PPC	Parliamentary Portfolio Committee
PTSA	Parent Teacher Student Association
RDP	Reconstruction and Development Programme
SACP	South African Communist Party
SADTU	South African Democratic Teachers Union
SAFSAS	South African Federation for State Aided Schools
SASA	South African School's Act
SASCO	South African Students Congress
SGBs	School Governing Bodies
WCED	Western Cape Education Department
WITS-EPU	Witwatersrand Education Policy Unit

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CHAPTER ONE

INTRODUCTION

1.1 Introduction

This chapter introduces the South African Education System and the South African Schools Act No. 84 of 1996 (SASA), and specifically the policies leading up to its enactment. A background section is provided to contextualise the study, followed by sections on SASA, research objectives and rationale. This chapter further captures the statement of the problem to be addressed and followed by the purpose statement and the research questions and concludes with an outline of the research. Following this chapter is the review of the literature that gives a clear philosophical underpinning of the research. The research employed qualitative methodology using both qualitative interviews and document analysis as a way of data collection techniques. Following the methodology is the presentation of findings from the respondents, document analysis and the discussion of the findings. The research then draws conclusions and makes recommendations regarding further studies to be undertaken.

1.2 Background to the study

1.2.1 Overview

This study is embedded within political, social and policy contexts since the study attempts to understand the policy dynamics in post-apartheid South Africa. April 27th, 1994 marks a significant turnaround in the history of South Africa. Fallon and Silva (1994) refer to South Africa as one of the most unequal societies in the world. The apartheid policies promoted differential access to economic and social resources by 'race' group. The latter scenario created marked differences in socio-economic status by race which played a critical role in the creation of those inequalities.

The urgent need for transformation, redistribution of resources and the elimination of inequalities in provision has to a large extent been slowed down or affected by finance. Limited finance was not, however, the only impediment to effecting change in South Africa. Bond (2001: 87) explains that in addition to finance other factors like contradictory policies, weak programmes and unsustainable fields like education and health also contribute to sluggish reform pace which greatly affected the transformation programme.

In relation to finance, Bond (2001: 87) further comments that there was “no real institutional framework for alternative funding; it is the case with the Ministry of Education, to a lesser extent with the Ministry of Health, and this has had a negative influence on the implementation of the programme”. Alternative funding in this case may include international donor agencies like the International Monetary Fund and World Bank. In conclusion, Bond (2001: 87) noted the existence of extremely good and some bad reasons for foreign aid which resulted in negative perceptions in the post-apartheid era.

The above argument suggests that the IMF/World Bank funding is viewed as controversial and having negative implications for both debt and economic crises, but more importantly he sees this influence on policy advice including the macroeconomic policy of the Growth, Employment and Redistribution Strategy (GEAR). In Bond’s opinion, the influential role of the World Bank, often through donor co-ordination projects, has tended to reinforce the perception that aid is tightly bound up within the broader neo-liberal agenda of shrinking the state. The extent to which foreign aid influences such agendas has yet to be substantiated. Thus, according to Bond (2001) the international donor agencies have the capacity to influence public policies and hence legislative framework like SASA. This study specifically examines the circumstances that shaped the introduction of financial provisions in SASA.

This Act replaced multiple school models of the various apartheid education departments, by ensuring subsidies and recognition for schools in the country which includes both public and privately financed independent schools.

Some of the main provisions of the South African School Act are the following:

- i. The state must fund public schools from public revenue on an equitable basis in order to ensure the proper exercise of rights of learners to education and the redress of past inequalities in education provision (Section 48(1)).
- ii. The minister must determine norms and minimum standards for the funding of public schools after consultation with Council of Education Ministers, the Financial and Fiscal Commission and the Minister of Finance (Section 35).
- iii. The governing body of a public school must take all reasonable measures within its means to supplement the resources supplied by the State in order to improve the quality of education provided by the school to all learners at the school.
- iv. School fees may be determined and charged at a public school only if a resolution to do so has been adopted by a majority of parents attending the meeting referred to in Section 38(2) and Section 39(1).
- v. A parent is liable to pay school fees determined in terms of Section 39 unless or to the extent that he or she has been exempted from payment in terms of the Act (Section 40(1)).

It is however, very important for social actors to understand the origins of the financial provisions in the South African Schools Act in critically examining educational change in the South African education arena.

The need for a clear understanding remains a priority due to the fact that despite constitutional and legal provisions, there has been a growing concern about equity. The Reconstruction and Development Programme (RDP) objectives were to promote equity, and eradicate poverty by increasing state expenditure on social services. According to Nicolau (2001) this would require an expansionary macro-economic fiscal policy. The intentions of the RDP clearly indicate that the ANC-led state was committed to building a society based on equity, people's participation in decision-making processes and overcoming the legacy of apartheid despite the challenges that currently exist in educational financial provision.

The process of policy formulation leading to the South African Schools Act was not without challenges. It was marked by sharp differences of opinion and conflict as well as by areas of consensus (Motala and Tikley, 1993). The Act was the result of a long and intensive period of policy development, in which a wide range of stakeholders participated and attempts were made to reconcile conflicting positions. It was, nonetheless, still the subject of sharp disagreements at the Parliamentary Portfolio Committee stage and the political parties failed to reach agreement on the Act.

There were debates in the process of restructuring the schooling system and the development of school policy during the times of the Government of National Unity (with representation from parties in the majority i.e. the African National Congress (ANC), National Party (NP), the Model C-based South African Federation of State Aided Schools (FEDSAS), Afrikaans Press, African Christian Democratic Party (ACDP) and the Freedom Front (FF) established after the April 1994 elections.

The South African educational dilemma continues to confront parents from all social backgrounds despite the abovementioned financial provisions and this is seen in the challenge of continually escalating school fees. It has been pointed out in a 2003 review of the financing and cost of education in public schools that the context of unemployment and extreme poverty has resulted in practices that have undermined basic human rights such as equality and access. Many learners who have failed to pay school fees have been confronted with exclusion from being a member of a school or from full participation in learning and schooling dignity as a result of non-payment.

This in essence has been unfairly blamed on the South African macro-economic policy of GEAR. Against this background, Motala, *et al.*, (2002) observed that in township schools only 18 per cent to 60 per cent of parents paid school fees whereas 61 per cent to 90 per cent of parents paid school fees in the urban schools. In support of this, Donaldson (2001: 65) notes that whereas education did not feature *per se* in the delineation of details in GEAR there was a general commitment to reduce spending in government. This created a situation whereby the government had to offload some financial burden to parents.

This is further supported by Lemon (2005) who observed that differential fees in state schools preserve apartheid inequalities of provision and that against the background of the fact that parents will always seek the best education for their children, there is bound to be a situation whereby they default on school fees payment. Lemon (2005) thus suggested a radical change in the macroeconomic policy towards a more developmental state with emphasis on the promotion of greater equity.

It must also be noted that by early 1996 during the process of the development of the SASA, there was mounting pressure on government to restructure the economy and thereby stabilize the falling Rand.

The processes of the development of provisions in the South African Schools Act were complex, taking into account the situation that was inherited. The newly elected government was faced on one hand by the commitment to ten years of free and compulsory education based on the manifesto of the African National Congress. The delicate issue for the Ministry of Education was to deal with the South African Schools Bill which did not explicitly state ten years of free and compulsory education. This clearly highlighted a gap between what was promised prior to 1994 and what was delivered. The ANC acknowledged that it was impossible to deliver on ten years of free education and support everyone due to the constraints of the budget. A different approach had to be adopted in line with equity, redress and access. Coombe (interviewed, April 2004).

The reality of the matter is that it is the nature of the fiscal environment which then led to a decision by government not to implement its expansionary programmes so as to reduce government debt because funds were insufficient consistent with the political agenda. According to Pampallis (interviewed, April 2004) this process coincided with an international trend of decentralization. The following section captures the socio-economic, political and policy contexts of the background to the research.

1.2.2 Socio-economic context

Education transition is defined by critical explorations of the relationship between the global economic changes versus the goals of the democratic post-apartheid society, as South Africa was aligned to market-oriented policies like GEAR in the finance and economic sectors.

According to Badat (1997) there was a need to strike a balance between the goals of a democratic society with emphasis on improving access, equity and redress, and an economy that is competitive in the global arena. This scenario brought about contradictions between the politics of People's Education coupled with expectations or hopes of the ANC, juxtaposed with the real issues facing both the government of national unity and the apartheid government.

The commitment to people's power with a view to construct people's education, democratic structures and practices was now conceptualized in an economic sense, thereby taking a turning point in that little attention was given to a necessary element like training and skilling; there was also a stronger focus on human resource development which is unlikely to bring any significant impact on social transformation, as noted by Badat (1997).

1.2.3 Policy and legislation

a) ANC Policy Framework Education Document

Debates over education policy evolved around the expectation that the April 1994 elections would see the ANC forming the new government obviously in alliance with the National Party as policy developments focused on the preparations for transition to power. The ANC Education document would be finalized by the conference at the beginning of April and hence focus during this time was on discussions and debates around the document. It advocates the development of an integrated unitary system of education and training which could improve both the quality and relevance of

educational knowledge and skills for the world of work and bring about greater equity and redress.

According to Greenstein (1994) the document fails to give serious consideration to the contextual socio-economic constraints and obstacles inherent in moving and transforming a system of social and economic inequalities into a more efficient and equitable system. He further argues that further shifts occurred both in the balance of social forces in the post-election process and in the imperatives of the policy-making process, with the ANC being the dominant party facing new pressures from the White population to adopt more conciliatory reforms, making it difficult to advance radical reform policies (ANC Policy Framework Education Document, 1994).

This new context clearly highlights a significant compromise of radical transformation policy proposals, both economically and educationally, as related to contextual constraints, including the balance of forces.

b) The Reconstruction and Development Programme (RDP)

The RDP document was adopted by the tripartite alliance comprising the African National Congress (ANC), the South African Communist Party (SACP) and the Congress of South African Trade Unions (COSATU). The section on Education and Training in the document bears similarities to the ANC document although it had a more explicit focus on the relation of education to economic growth and social equity.

The document argues for the need to embark on a new socio-economic growth path, growth through redistribution that would regulate and mould the accumulation process to transform the national economy in order to compete globally as well as cater for the basic needs of the majority. Greenstein and Mabogoane (1994) reflect a shift in content in the policy documents prior to 1994 with the emphasis being that no additional funding should be expected, whereas Fleisch, cited in De Clerk (2001) believes that the shift in the RDP White Paper reflects the fact that the new priority of the ANC in the GNU was above all to transform the government would shift its priorities and the way it did business (Kalaway, Kruss, Fataar and Donn, 1997).

c) Participation and implementation in the policy process

The process was not without fundamental challenges as there were time constraints, therefore risking an all-inclusive process and hence criticism regarding the degree of participation of the different sectors of the mass democratic movement, in particular the South African Students Congress (SASCO) and the Congress of South African Students (COSAS). Such criticism was acknowledged by the CEPD activists. What is worth noting is the gradual dilution of the role of the state in the education policy process, whilst a potential challenge remained for the transition into the new government after April elections in view of the domination of the civil service 'old order' bureaucrats. In the process of budgeting for Educational Reconstruction and Development; the report of the Finance Task Team of IPET outlined budgetary proposals prepared for the ANC Department of Economic Planning Programme prior to elections; the assumption was made that the budgetary process reflecting such financial and institutional constraints would limit the ANC's ability to deliver in its first year (Chisholm, 1994).

In summary, the challenge was to finance the plan and maintain the principle of people-driven education. The budget for 1994/5 clearly placed constraints on the ability of the new government, namely the Government of National Unity (GNU), to deliver. What remains interesting is the emerging shift in the ANC approach to financing education which reflects caution such that the budget does not expand unsustainably in order to avoid borrowing and sinking into further debt which South Africa would not have been able to afford. Another view reflected no other option than expansion, cost-cutting and donor financing. The policy changes should therefore be located within the context as opposed to the incorrect conceptualization. The financial constraints of the country were similarly reflected in the RDP programme which suggested that programmes should be financed in ways that do not cause undue inflation or balance of payments difficulties and that the overall burden should not increase (Chisholm and Kgobe, 1993).

1.2.4 Political and historical context

The South African global arena must be viewed in a context where there was a decline in spending on education in the context of broad economic stagnation and decline along with public sector financial corruption and mismanagement. Educational transformation in South Africa was discussed in a context of market-oriented policies whilst the expectation was to deliver a more equitable society. This presented a challenge in transforming an apartheid legacy in relation to the political circumstances leading to the new South Africa given the poor state of the economy and the general impact of the global economic reforms under way at that time. It made it virtually impossible to meet the expectations expressed in the educational arena. The meaningful participation of a wide range of stakeholders in the inherent debates was therefore critical in that politics of education has been a point of contention in the past (Karlson, McPherson and Pampallis, 2001).

a) Balance of power between ANC and opposition parties

The ANC and its allies (referred to as the democratic movement) were the sectors of society within the constituency that would benefit from an equitable distribution of resources and their position favoured a greater centralization of power, exercised mainly at provincial level within a strong national framework, whereas the opposition, comprising mainly White people, were exclusively concerned with preserving the position of state-aided Model C-based schools and tended to favour greater decentralization to the school level. Among the latter group, there was a strong Afrikaner constituency with representation from the NP, the Freedom Front (FF), FEDSAS and the Afrikaans Press which had the additional preoccupation of preserving Single Medium Afrikaans Schools (Karlson, McPherson and Pampallis, 2001).

These were not the only constituencies, nor were they internally homogenous. Teachers and secondary learners, for example, had their own interests and were at times at variance with their political allies. The debate then shifted to Parliament in

the second half of 1996, which then brought a lot of pressure to bear on policy developers to take into account special concerns of the privileged school sector and to marginalize the concerns of other sectors, given that contextually at the time the major electronic and print media reflected the hegemonic ideology of the white-owned press focusing throughout on the debates about the position and fate of the Model C schools, although this largely ignored the plight of the 87 per cent of less privileged schools in the country (Karlson, McPherson and Pampallis, 2001).

b) Flows of capital informed by neo-liberalism and restrictions that existed

There are two groups of people that have deliberated on education finance with specific reference to macro-economic policy and its relationship or influence on the education policy development process and adopted options. The two groups include educationists mainly from the Education Policy Unit (EPU), and a broader group of policy analysts.

Bond (2000) argues that a concern around the post-apartheid government's deviation from the liberation movement's mandate, citing the 1955 Freedom Charter until the Reconstruction and Development Programme (RDP), as not being a bad idea. He thus argues that some of the most telling details to explain the transition from a popular nationalist anti-apartheid project to official neo-liberalism, by which is meant adherence to free market economic principles which undermined democracy. He blames this on the influence of the World Bank and the International Monetary Fund/neo-liberal policy advisory missions.

The Growth, Employment and Redistribution Strategy (GEAR) was adopted by the South African government in 1997 and has in part been blamed as part of the broader forces that shaped the parameters in which the transformation process has been interpreted. Chisholm (1997) perceived a global language about education in which the restructuring of education systems has come into line with neo-liberal market-oriented strategies for economic growth and the discrediting of state-centred models of development.

Despite existing tensions and contradictions underlying globalization and its neo-liberal doctrines for the South African context, the notion that its ideologies have implications for policy development in South Africa is proved to be false since the emerging view, based on interviews conducted and documents analyzed, does not qualify the claim that macro-economic policies had an influence or an impact in the process of drafting financial provisions within the South African Schools Act, but that it was more of a contextualized problem which reflected the balance of power rather than the neo-liberal policy influence.

Karlson, McPherson and Pampallis (2001) proposed possibilities to address the “dilemma”. Firstly, a single public system of education could be declared free and millions of Rands invested in it; this would be preferable but unlikely and an alternative would be to achieve equity imperatives while still attracting sufficient numbers of well-off parents whose resources would inevitably be required in facilitating diversity. Karlson *et al.*, (2001) further suggest that the presence of affluent families in the public schooling system would serve the public interest and enable the generation of private resources to supplement the purse for education. Moreover, it would facilitate credibility in the public schooling system, something crucially necessary in this period. Clearly, reconciling the aims of equity, improved quality of education together with the constraints of insufficient state funding were the biggest challenges when looking at South African educational funding.

Chisholm (1995) similarly cautions about the importance of viewing proposals within the context of educational reform and indicates that this context poses simultaneously both a constraint and a challenge in that South Africa’s programme for reform to meet basic needs is being undertaken in the context, on the one hand, of heightened demand of social services, while on the other hand, there is a commitment by the State to fiscal discipline. Chisholm (1995) maintains that these place contradictory pressures on a new State regarding fiscal discipline. It would then be critical to see how the contestations have unfolded and their effect on the state’s ability to pursue its agenda for reform so as to consolidate on the gains and build up on areas that need amelioration.

School funding is a possible area of conflict and confusion. According to the Bill, governing bodies are able to set and charge school fees if the majority of parents in a school accepts this principle. Governing Bodies will have the power to sue defaulting parents and will be able to decide on the level of fees according to the different permutations. These would be based either on a flat rate or a sliding scale of fees based on income. This funding model will perpetuate inequalities in the schooling system. Poorer communities which require quality education the most will be able to afford only rudimentary provision, while richer communities, which benefited from the system in the past, will continue to have access to superior educational provision (Chisholm and Vally, 1996).

The South African economic challenges during this phase were compounded by political changes. The bigger problem was more budgetary in nature in that government had to reduce gradually the rate of increase in government consumption expenditure by the public sector. The reconstruction targets could only be met from the budget that existed. It was also difficult to determine the budgets since provinces were allocated lump sums. The current budget could not meet policy commitments as outlined in the White Paper. The only option was to shift resources from the rich to the poor. Measures to achieve equity were thus a challenge (Chisholm and Vally, 1996).

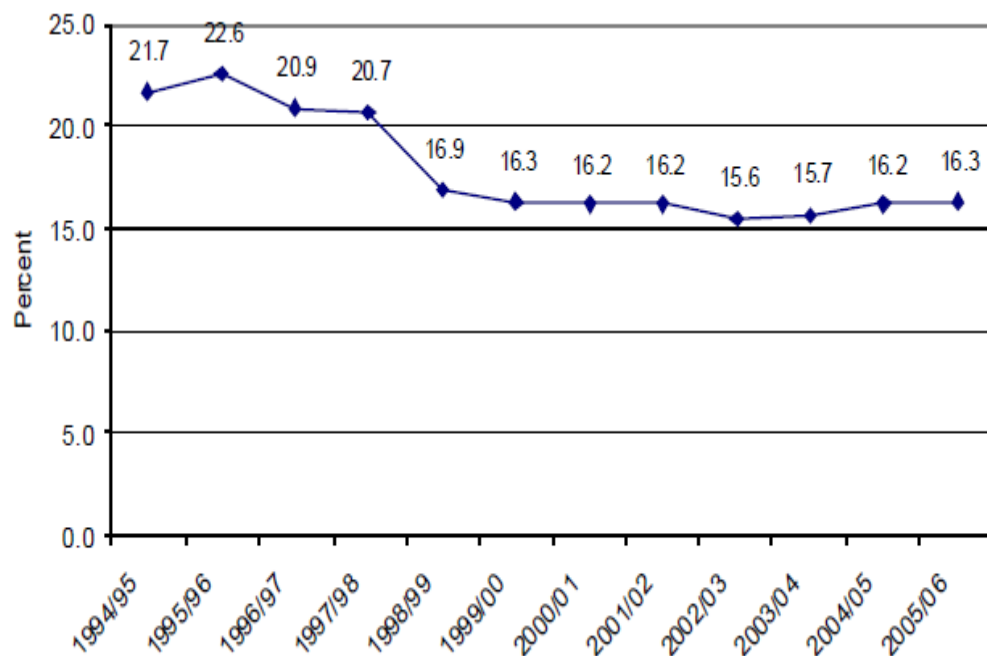
c) Linkages between Apartheid and the neo-liberal state

Finance has always been an issue in the transformation agenda, whilst also acknowledging that there was an urgent need for the redistribution of resources and the elimination of inequalities in provision. According to Bond (2001), contradictory policies, weak programmes and unsustainable fields like education and health, as outlined in a European Union Report, meant that there was “no real institutional framework for donor coordination; it is the case with the Ministry of Education, to a lesser extent with the Ministry of Health, and this has had a negative influence on the implementation of the programme”. He therefore concludes that there are extremely good, as well as some bad reasons for foreign aid to have generated negative perceptions in the post-apartheid era. Many of the reasons can be located at a level of specific policies, programmes and projects within the South African State (Bond, 2001: 87).

The above argument suggests that the IMF/World Bank funding is viewed as controversial and as having negative implications for both debt and economic crises but more importantly, Bond (2001) sees this influence on policy advice including the macroeconomic policy of GEAR. Bond thus argues that the influential role of the World Bank, often through donor co-ordination projects, has tended to reinforce the perception that aid is tightly bound up within the broader neo-liberal agenda of shrinking the state. The extent to which foreign aid influences the situation in reality remains to be proven (Bond, 2001: 87).

It is noted (Figure 1) that there is a marked decline in education expenditure in the late 1990s in relation to the overall national expenditure trend. Similarly, Table 1 indicates that expenditure in education was reduced in 7 out of 9 of provinces from 2002 to 2009.

Figure 1: Public education expenditure as a percentage of total government expenditure 1994/5 to 2005/6.



Source: National Treasury, 2007 and Taylor, *et al.*, 2009

Table 1: Provincial expenditure as percentage of total provincial expenditure for various fiscal years

Province	Provincial expenditure as percent of total provincial expenditure for various Fiscal Year						
	2002/3	2003/4	2004/5	2005/6	2006/7	2007/8	2008/9
Eastern Cape	49.0%	46.8%	49.4%	48.3%	48.7%	48.5%	48.2%
Free State	36.3%	35.4%	34.0%	34.4%	45.3%	43.6%	42.9%
Gauteng	38.2%	40.0%	39.7%	38.9%	35.6%	37.0%	37.6%
KwaZulu-Natal	45.9%	46.4%	46.5%	44.5%	43.6%	42.9%	41.2%
Limpopo	50.9%	50.1%	51.3%	48.1%	48.3%	48.1%	48.1%
Mpumalanga	49.6%	49.9%	48.5%	49.5%	48.6%	48.6%	48.8%
Northern Cape	33.8%	31.0%	29.7%	29.5%	37.4%	37.1%	38.0%
North West	47.9%	47.5%	46.8%	44.2%	43.8%	41.8%	40.9%
Western Cape	40.6%	40.5%	39.0%	38.4%	38.0%	38.2%	38.0%
Total	44.4%	44.1%	44.2%	42.9%	43.3%	43.1%	42.8%

Source: Wilderman (2006) accessed from Taylor *et al*, 2009

Taylor *et al* (2009) notes that these reductions in expenditure have been against the fact that from the mid-1990s, the rate of increase of learner enrolment has slowed down markedly with primary education recording a negative growth after 1995, decreasing by an average of 0.6 per cent a year between 1995 and 1999 and then by 1.3 per cent a year after 1999. It would therefore be critical to see how the contestations have unfolded and their effect on the state's ability to pursue its agenda for reform so as to consolidate the gains and address those areas that need amelioration.

1.3 Research Problem

There was wide acknowledgement by the various political parties, in particular the ANC on the need for the redistribution of resources and the elimination of inequalities in provisions but how this would be realised was under dispute.

This research investigated the emergence of the introduction of financial provisions in the South Africa Schools Act (SASA) since 1994. This was motivated by the need to understand key issues that helped to shape education policies in post-apartheid South Africa and specifically to analyse the bottlenecks and factors that affected the policy transformation phase.

Habib (2004: 11) argues that at that time the Education Department was requiring parents to share part of the financial burden of education, this had both positive effects for transformation with the integration of black students but also had negative effects as upper middle class families abandoned the township schools in a shift towards the former Model C schools. The result of this shift, as suggested by Chisholm and Vally (1996) was that poorer communities which require quality education the most would be able to afford only rudimentary provision, while richer communities, which benefited from the system in the past, will continue to have access to superior educational provision.

This overall situation presents a complex scenario that requires better understanding which justifies this proposed research.

1.4 Purpose statement

The purpose of this research is to understand key issues that helped to shape education policies in post-apartheid South Africa and to examine factors that affected the policy transformation process. The research also provides for recommendations for further study.

1.5 Research Questions

The research indented to answer the following primary question:

What are the circumstances that led to the introduction of education financial provisions in South African Schools Act (SASA)?

This research will examine the extent to which GEAR influenced the development of the financial provisions of the South African Schools Act with specific focus on one of the main provisions, namely “The state must fund public schools from public revenue on an equitable basis in order to ensure the proper exercise of rights of learners to education and the redress of past inequalities in education provision, in line with the provision of public subsidies to independent schools (in terms of Section 48 (1).”

Complementing the primary research question, the research also intends to address the following secondary questions:

1. What were the key considerations that influenced the development of the financial provisions in SASA?
2. Who were the social actors and what were the positions postulated, and dynamics in the development process of SASA?
3. What was the nature of forces and complexities that gave shape to the financial provisions of the South African Schools Act (SASA)?

1.6 Outline of Chapters

Chapter One: Introduction

This chapter contextualizes the study and serves as background to the study. It provides direction on the aims and the rationale for the study, and situates the reasons for undertaking this study. In the process it highlights the key arguments and the questions that drive the study.

Chapter Two: Literature Review

This chapter examines existing philosophical underpinnings of the education policies in post-apartheid South Africa in order to address the research questions.

Chapter Three: Research Design

This chapter outlines a plan and structure of the investigation that is used to obtain evidence in order to answer the research questions. This chapter further narrates

qualitative research in order to explore, understand, explain and describe social phenomena from the participants' point of view. In the process the research methodology which constitutes data collection techniques is explain in this chapter.

Chapter Four: Presentation of the Findings

This chapter looks at the role that context is playing in shaping the education policies in post-apartheid South Africa. It further presented a summary of the findings from the informants who participated in the data collection process of the study. Data gathered from the respondents was presented in the form of emerging themes or categories.

Chapter Five: Analysis of the Participation

Following the presentation of the findings is the data analysis of the study. After the data presentation process was completed, the data analysis process then follows. This is where raw data collected during the research was analysed to support the findings of the research. The data that emerged out of interviews and academic literature was analysed to verify and reflect on the findings. This section focuses on transforming raw data into meaningful information.

This chapter interfaced literature, analysis and interpretation of the data collected in order to answer the research questions captured in chapter one. The analysis and presentation of the data collected from the informants was analysed in the form of themes or categories.

Chapter Six: Conclusion and Recommendations

The conclusion highlighted those areas that required further research, making some recommendations to close the gaps that emerged from the findings of the study. The basis of the conclusion flows from the debates and arguments, both theoretical and in practice, embodied in the research and based on the findings as identified in the analysis of the research.

1.7 Summary

This chapter highlighted the research topic and background information by presenting an overview of South African Schools Act. The problem statement, purpose of the research and research questions were presented to give direction to the argument of the research. The chapter concluded by capturing the structure of the research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Overview

This chapter outlined the theoretical perspectives on redistribution, macroeconomic context at the time, and politics where the researcher reviewed the factors influencing the forces at play during the policy development of the education financial provisions of the South African Schools Act and where possible examined experiences of a similar nature.

2.2 Historical Background

The major players that determined the way education policy was shaped in apartheid South Africa were the democratic forces represented by the ANC and allies on one hand and the National Party and allies who were protagonists of apartheid policies. These forces interacted via the Soweto riots and related aftermaths, the De Lange Commission and eventual reclassification of the former white schools into models A, B, C and D. Even by the act of reclassification of the former white schools, the NP was desperately trying to hang onto power under the disguise of letting the market forces to decide on the best way possible to finance education in post-apartheid South Africa. On the other hand, the progressive forces under the ANC were vehemently opposed to measures which stopped short of transformation and redress. This set the stage for negotiating points by the time SASA was in formulation stage (De Clercq, 2001).

2.3 Conceptualization of Policy

With the dawn of democracy in South Africa there was a major shift in the approach to policy development. The approach and the policies that were introduced reflected

this new dispensation. Jansen (2001: 12) points out that policy development in South Africa before 1990 was a relatively simple process. This was evident in the centralised state control of all processes of policy making by using political authority. Jansen contested that from the beginning of the 1990s there was a clear indication in political circles that the policy making process would have to change. Indeed this became reality when after 1994 many players such as labour movements, political parties like the African National Congress, the business sector and international aid communities came on board (Jansen, 2001: 14-20). This was a clear indication that things have to be done consistently with the new political order.

Sayed and Jansen (2001: 1) indicate that many new policies have been developed in South Africa since 1990, and are widely accepted by the international community as some of the best in the world. The challenges of policy success have been in the area of development and implementation, both locally and internationally. De Clercq (2001: 37) argues that the newly developed policies, especially education policies, are poorly designed and this could be a contributing factor to some of the challenges facing South Africa. In South Africa, for instance, lack of service delivery by government led to the re-thinking and reconstruction of policy making paradigms (Van der Walt, Van Niekerk, Doyle, Knipe and Du Toit, 2001: 164).

The above situation was brought about by the fact that policies that were previously formulated did not address real issues that government was mandated to deliver on in a democratic manner. Van der Walt, *et al* (2001: 164) emphasize that policies that are in place in South Africa and those still to be developed should result in improved public service delivery. Levin (2001) cautions that however well founded policies may be, they need to be translated into feasible outcomes. It is the translation of policy into outcomes that creates challenges for policy development and implementation internationally. According to Manganyi (2001: 27) genuinely democratic societies globally are defined by their abilities to develop and subsequently implement public policy in real terms.

2.4 Centralization versus Decentralization Policy Development

According to the National Education Policy Investigation (NEPI) (1992: 9) the process of policy making in South Africa previously was closed and top-down. It was also both centralized and decentralized. It is the opinion of NEPI that this approach to policy making was problematic. Decentralization was used for political reasons and not for ensuring better and effective policies. Decentralization was also used to fragment the system into ethnic and racial groups (NEPI, 1992: 11).

The major disadvantage for this kind of system is that it created a situation where policy formulation was fragmented into different departments of education. This approach that was used before 1994 in South Africa implies that policies should be developed in a uniform manner. While decentralization is advantageous in some areas, it is also important to have a central point of authority and control for the purpose of uniformity when it comes to policy development, communication and implementation.

Carrim (2001: 98) observes that decentralization is one of the key characteristics of processes of educational reform in the post-apartheid South Africa. National Education Policy Act (Act 27 of 1996) (NEPA) further sanctions the decentralization of powers from centralised national ministry of education to provincial ministries (Carrim, 2001: 101). Abrams (1993: 7) indicates that there are two power influences in any organization and refers to this as the internal and external. There is an obvious shift towards decentralization because as Carrim (2001: 98) puts it, decentralization is more consistent with the development of democracy. According to Carrim (2001: 98) policies become more effective when they allow for maximum participation by all stakeholders. Decentralization is thus seen as a mechanism to democratise policy formulation (Carrim, 2001: 98).

However, Lodge (1999: 38) observed some misdemeanours in the process of democratisation in South Africa. According to Lodge (1999: 8) the state's commitment to people-driven development seems to have been fluctuating and ambivalent and not in accordance with NEPA and the Reconstruction and Development Programme (RDP). In many areas the trend has run against popular

participation (Lodge, 1999: 38-39). According to Ball (1994: 16) most governments recognize that only certain voices are heard at any point in time. In other words the government usually selects stakeholders it wants to participate in policy making so as to get support in pushing a policy through to its finality at the expense of views from the majority of stakeholders who enjoy popular support.

There seems to be agreement that centralization and decentralization play a pivotal role in policy development. However, in South Africa before 1994 this approach was used to preserve political power. Contrary to this, centralization and decentralization that was used after 1994 served the new purpose of democratising the process of policy making.

Power plays a central role in both the centralization and decentralization for policy making. Abrams (1993: 7) points out that central power will always dominate all other levels of power. He classifies power into internal and external and suggests that central power is regarded as external while decentralized power is referred to as internal. According to Abrams (1993: 7) the power relations between internal and external influences should always be considered. It is Abrams contention that the external influences usually dominate the internal influences, and the external influences that make strategic decisions and goal formulation as a whole (Abrams, 1993: 7).

2.5 Macro-Economic Context

Education policies and macroeconomic policies in post-apartheid South Africa have been affected by the macroeconomic policies in the form of RDP, GEAR and MTEF. This has often been through budgetary cuts in the name of tighter fiscal discipline. These policies have consistently become more stringent, starting with the RDP which allowed room for some manoeuvres then GEAR which tightened controls on RDP implementation, and the MTEF which became more inflexible compared to the earlier policies and eventually dealt the RDP a death knell. The overall result has been reduced budget for education, hence the need to supplement expenditure with special levies in the form of school fees.

2.6 International Experiences

Lauder (1990) cites the case of New Zealand in the 1990 seminars with the South African education reforms and notes that negative growth, increasing unemployment and an increasing gap between the rich and the poor have been steered in recent years by the New Right.

Wong (1991) explored the ways in which states have responded to the challenge of equity in school finance. He then argues that equity reforms are rooted in two kinds of inequities in public elementary and secondary education. First, state governments can address inter district or territorial inequity that is due to the disparity in local taxable wealth. Second, state governments can address the social inequity that arises from the presence of special-needs populations within a district. A reform strategy is likely to reflect a state's relative emphasis on territorial and social inequities. The common tendency, however, is to focus on territorial equity. These policy tendencies are shaped by various state political and institutional factors. Territorial and social strategies differ in terms of (1) the financing mechanisms employed, and (2) the institutional and political factors that promote the distinction between these two concepts and offers a basis for a more differentiated understanding of equity issues.

Wong (1991) argues from the United States experience that reform in public school finance also illuminates the ways a state's political institutions can play a decisive role. Territorial equity, as discussed earlier, has been facilitated by constitutional challenges, taxpayer protests, school reform efforts, and the geographically structured legislature. In particular, rulings on school finance by state high courts have exemplified the "new judicial federalism." Ever since the United States Supreme Court decided that the American Constitution does not guarantee the right to education, some state high courts have given their own interpretation of the education provisions in state constitutions. School finance reform (or status quo maintenance) tends to depart from a seemingly salient feature in the U.S. federalism

as an expansion in the U.S. Supreme Court intervention in state and local affairs in recent years.

Monkman and Baird (2002) in their attempt to review educational Change in the Context of Globalization, argue two issues that can help deepen our understanding of the relationships between globalization and education: (1) the importance of discourse, which shapes policy, our understandings of realities, and our actions; and (2) attention to who participates and how they participate, as this mediates the interactions between globalization and education. Multilevel analyses, including analysis of the interactions among the multiple levels is important to understand how changes at one level are manifested at another. For example, the economic crises of the 1980s and the policies of the International Monetary Fund and the World Bank have clearly affected the ability of the poor to feed their families and send their children to school.

They finally argue that globalization causes educational restructuring because educational restructuring is a feature of globalization. While this may be true, the process deserves as much attention as the outcomes. Second, globalization is usually presented as an exogenous and independent force that acts upon national and local actors.

2.7 Politics

It is worth noting that the position and intention of the NP with regard to the support of education decentralisation were clearly revealed in the contradictions that were experienced with the enactment of SASA. Sayed (1999) indicated that provinces had the options of either amending their acts in line with SASA or where similar legislation was unavailable they could let the national act prevail; it is worth noting that the NP, having the majority in the provincial legislature in the Western Cape Province chose to pass their own schools act (here referred to as the WCSB) which greatly contradicted SASA.

The ANC's position on education is best summarised by the goals in the sector which firstly affirms the belief in the right to education and training as an avenue to equitable distribution of resources, and secondly articulates that individuals of any

creed, colour, gender, age and class are entitled to access to lifelong education and training (ANC, 1995).

Thus, after coming to power the ANC and its allies advocated for a strong, interventionist state and a belief in the desirability and efficacy of grassroots control; this created a conflict and as such balance was sought as to the application of both principles in formulating a new education policy (Sayed, 1999; Department of Education, 1995a).

Hellwig (2007) noted that observers of French politics have for some time suspected that the fruits of market liberalization have come at a cost to French democracy. Globalization is thought to limit the options available to policy makers, particularly in lean times. Calling attention to this constraint, former French interior minister Jean-Pierre Chevenement recently equated the situation facing French policy makers to that of being held captive in a “Bermuda triangle” caused by a recessionary international economy, a budgetary constraint imposed by the European Union, and domestic spending commitments (*The Economist*, September 2, 2002).

2.8 Equity and Redress

Transformation in schooling in post-apartheid South Africa was strongly motivated by the need for redress and equity reflected in the strong spending for education in budgets preceding and after enactment of SASA (Chisholm, 1995). This was mainly geared towards widening access to education while at the same time improving infrastructure to ensure that the formerly disadvantaged schools were better funded to improve their quality. Progress was, however, slow in this area, as reported by Lewis and Naidoo (2004) and Tikly and Mabogoane (1997). The introduction of financial provisions, while also ensuring that pupils from underprivileged positions were not excluded on the basis of fees, was one attempt at this.

After the end of apartheid, attainment of equity in the education sector became the major focus; this is best captured by Chisholm (1995) in the assertion that linked educational spending in the 1995/6 budget to need in order to address inequalities in primary and secondary schooling. This action led to a further increase in school

enrolment as access was expanded through efforts to build schools in the initially marginalised communities and also through desegregating schools in the former white, Indian and coloured areas (Chisholm, 1995).

The challenge of the new government was how to redress inherited inequalities in a constrained fiscal environment which clearly meant reconciling the redistribution of funds, a need for greater investment and the budgetary allocation considering the vast disparities as well cited by Jansen and Taylor, that in short, there was not enough money allocated in the budget to reverse the backlogs of education infrastructure inherited from apartheid.

Jansen and Taylor (2003) argue that this reform was motivated strongly by fundamental demands of the liberation movement (in exile) and the mass democratic movement (inside the country) for equity in education. There was therefore political pressure on the new state to deliver (and to be seen to be delivering) on this basic demand of an historical struggle for equity in education.

Change did not, however, come early enough as the post-1994 government grappled with the challenge of establishing a uniform system of public schooling which permitted redistribution of state funding to schools in poorest communities without alienating the support of the middle class. Carlson (2002) asserts that the government eventually opted for the dual approach of simultaneously acknowledging the need for maintaining existing facilities in privileged areas while addressing the disparities that were a result of past policies. Indeed the government openly stated in its second white paper on education that it will meaningfully respond to inadequacies and inequities resulting from past policies without alienating the beneficiaries (Department of Education, 1996).

2.9 Macro-Economic Environment

While asserting the effects of these macroeconomic policies on education, one must keep in mind that they were formulated to deal with the resultant historical injustices of apartheid, address inequity and ensure redress as well as economic prosperity in the post-apartheid era. These macroeconomic policies impacted on education

through restrictions on budgetary spending as a result of the fiscal controls that were required. These fiscal controls and restrictions have continued to be tight with time. These are evident in Macro Economic Research Group (1993), Department of Finance (1996), Department of Finance (1997) and Nicolau (2001).

This is further supported by Fleisch (2002) who argues that the entire project of public sector restructuring was explicitly framed within the context of macro-economic policy framework or Growth, Employment and Redistribution (GEAR) framed in 1996. The new government's own *Presidential Review Commission* made the link directly: "Vital to the success of GEAR would be the introduction of tighter fiscal policy aimed at lowering the fiscal deficit target."

Fleisch further argues that the central dilemma facing the new government was how to reconcile its commitment to equity and redress and at the same time maintain fiscal discipline.

2.10 Summary

Despite existing tensions and contradictions underlying globalization and its neo-liberal doctrines for the South African context, the notion that its ideologies have implications for policy development in South Africa proves to be false since the emerging view based on interviews conducted and documents analyzed does not support the claim that Macro-Economic Policies had an influence or an impact in the process of drafting financial provisions within the South African Schools Act but it was more of a contextualized problem which reflected the balance of power between the ANC and opposition parties rather than the neo-liberal policy influence. The process was shaped by fiscal constraints and an urge to achieve equity, access and redress.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Overview

This chapter describes the research methodology used to carry out the study. Specifically, it describes the nature of the research, its design, data collection methods and data analysis. Furthermore, this section gives an overview of the paradigm (interpretive) followed in this research.

The purpose of this research is to understand key issues that helped to shape education policies in post-apartheid South Africa and to examine factors that affected the policy transformation process.

The research attempted to find solutions to the following key questions:

1. What are the circumstances that led to the introduction of education financial provisions in the South African Schools Act (SASA)?
2. To what extent were the circumstances surrounding the introduction of education financial provisions in SASA a challenge in the implementation?

The following section captures the research approach followed by the research design.

3.2 Research Approach

Qualitative approach has been used to answer the research questions as captured in the problem statement section because it allows for in-depth description and analysis of the social entity as an institution, forming a unit of analysis (Merriam, 2002). This allows for a description of the main issues, set out above, with the main source of data collection of a largely quantitative nature being through in-depth interviews and document analysis. Denzin and Lincoln (1994) pointed out that “the field of qualitative research is far from a unified set of principles promulgated by the networked groups of scholars.” It has numerous variations, depending on the researchers. It is in this context that the perspectives of this study are therefore situated within the characteristics of the qualitative research approach.

Merriam (2002: 6) also argues that qualitative research “attempts to understand and make sense of the phenomenon from the respondent’s perception.” In the same views, Wallan and Fraenkel (2001: 432) suggested that qualitative researchers are interested in understanding the experiences of people in context. This implies that the researcher collects in-depth information from various respondents in order to understand their experiences of the circumstances that led to the introduction of education financial provisions in the South African Schools Act (SASA). They further argued that in qualitative research, numbers play a secondary role, and the words and the actions of the people effectively provide the data.

According to Strauss and Corbin (1990: 17) qualitative research, broadly defined, means “any kind of research that produces findings not arrived at by means of statistical procedures or other means of quantification”. Where quantitative researchers seek causal determination, prediction, and generalization of findings, qualitative researchers seek instead illumination, understanding, and extrapolation to similar situations. Qualitative analysis results in a different type of knowledge than does quantitative inquiry

A qualitative approach also allows the researcher to use multiple methods and sources as required in the data collection process. It is in this context that the

qualitative approach helps to understand the relationships, causes and effects and challenges underlying the origins of financial provisions in SASA, and benefits around the implementation of SASA. It is also aimed at examining the nature of the forces that have given shape to education financial provisions and exploring the validity of the claim that the Growth, Employment and Redistribution Strategy influenced the policy making process of the educational financial provisions of the South African Schools Act (SASA) and the process of development of the financial provisions.

The research has adopted an interpretive social science (ISS) approach which emphasizes meaningful social action, socially constructed meaning and value relativism. This approach has been chosen because it gives deeper meaning since the purpose of research is not just to learn about social world but to also understand the day to day life experiences or social life of the people in specific historical settings (Creswell, 2003). This approach is different from the positivist approach or school of thought which emphasizes discovery of causal laws, careful empirical observations and value-free research (Neuman, 2006: 81).

According to Neuman (2006: 87), interpretative social science is related to hermeneutics, a theory of meaning that originated in the 19th century. This theory is premised on an in-depth inquiry into text which could refer to a conversation, written words or pictures, and relating its parts to the whole can reveal deeper meanings. According to Locke, Spirduso and Silverman (1987), the qualitative research paradigm is the intent to understand a particular social situation, event, role or interaction. It is largely an investigative process where the researcher gradually makes sense of a social phenomenon by contrasting, comparing, replicating, cataloguing, and classifying the object of study.

Creswell (1998) asserts that qualitative research is an inquiry process of understanding social dimensions based on a distinct methodological tradition of inquiry that explores a social or human problem. The researcher builds a complex, holistic picture, analyses words, reports, and detailed views of informants and conducts the study in a natural setting. This, in essence, makes reference to the

complex narrative that takes the reader into the multiple dimensions of the problem or issue and displays it in all of its complexity.

3.3 Research Design

According to Leedy and Ormrod (1985), research design is the operational framework within which facts are placed to make their meaning clear. The aim of the research design is to describe and analyze methods used, clarify their presuppositions and consequences, and highlight the limitations. The study used qualitative descriptive design as a way of capturing rich and in-depth information from the field.

Sandelowski (2000) confirmed that qualitative descriptive studies have as their goal a comprehensive summary of events in the everyday terms of those events. Similarly, the above is confirmed by Neuman (2006: 35) who pointed out that descriptive research presents a picture of the specific details of a situation, social setting, or relationship. This implies that the research used in-depth interviews and document analysis in order to capture the perceptions and experiences from respondents as a way of maintaining validity and reliability, but also to consider different factors that could emerge depending on the geographical location, maturity, size and socio-political context as suggested by Merriam (2002: 8). Officials and official documents from WITS-EPU, Academics, the Department of Education, the Department of Finance, SACP/ANC, Trade Unionists/ANC, Policy Researchers/Analysts and the World Bank were used to support the above.

Nieuwenhuis (2006) points out that discourse analysis focuses on studying and analysing written texts and spoken words to reveal the discursive source of power, dominance, inequality and bias. Whereas Thorne (2004:4) argues that discourse analysis recognises speech as an explicit linguistic tool constructed and shaped by various social and ideological influences. With this technique all data that related to the already identified themes in content analysis will then be identified and explained in detail. At this stage of analysis, the researcher goes beyond the superficial meanings of what emerged as themes to establish the untold meanings, feelings and

actions. This process will therefore be carried out to assist the interpretation of data from the in-depth interviews and document analysis..

3.4 Data Collection

Data collection is an important component of a research project. In this research, the data collection techniques used were in-depth interviews with purposively selected key informants from WITS-EPU, Academics, the Departments of Education and of Finance, the SACP/ANC, Trade Unions/ANC, Policy Researchers/Analysts and the World Bank. Furthermore, data collection also involved analysis of documents from all the stakeholders pertaining to the origins financial provisions in the South African Schools Act.

In this study, data collection, data presentation and data analysis have been separated but during data collection attention was given to patterns in the early stages of data collection. In qualitative research, researchers look for patterns or relationships early in a research project, while they are still collecting data. Neuman (2006: 458-459) contested that in quantitative research, researchers do not begin data analysis until all data has been collected and condensed into numbers to avoid the data being manipulated in order to see patterns or relationships.

Creswell (2003) explains that qualitative research uses multiple procedures for data collection that are interactive and humanistic. The methods of data collection are growing and they increasingly involve active participation by participants and sensitivity to the participants in the study. According to Strauss and Corbin (1990: 42) “theoretical sensitivity” of a researcher is of paramount importance in qualitative research as it emphasizes the personal quality of a researcher. In data collection, this entails the attributes of insight, ability to give meaning to data, capacity to understand data and capability to sieve what is pertinent from what isn’t.

Mouton (1996) and Yin (2003) caution that most data collection methods have pitfalls and it is imperative to use multiple methods to avoid these. Yin (2003) suggested that the researcher should use multiple sources of data to assist with triangulation,

such as interviews and document analysis. The following section highlights primary data followed by secondary data collection techniques.

3.4.1 Primary Data

The following section captures in-depth interviews followed by document analysis.

(a) Semi-Structured Interviews

Primary data is that which is directly obtained from the source through interviews, focus group discussions, observations and experiments. The type of data to be collected is influenced by the nature of the research topic, availability of time and financial resources. In this research, primary data was collected through in-depth interviews with nine key informants from various locations (one at WITS-EPU (Academic), one at WITS-CEPD, (Academic), two at Department of Education, one at Department of Finance, one at SACP/ANC, one at Trade Unionist/ANC, one Policy Researcher/Analyst and one at the World Bank.

In-depth interviews were used for this research because the research questions require soliciting the opinions and experiences of the respondents about the critical issues and understanding the issues on the emergence of financial provisions in the South African Schools Act.

An interview is a two-way process of obtaining information where interviewers ask questions and interviewees provide responses in most of the cases. Neuman (2006: 305) argues that in research, the role of an interviewer is a challenging one since he/she is supposed to be non-judgmental and does not in any way try to change the respondent's opinions or beliefs. Lofland and Lofland (1984) define interview guide or "schedule" as a list of questions or general topics that the interviewer wants to explore during each interview.

According to Lofland and Lofland (1984), in keeping with the flexible nature of qualitative research design, interview guides can be modified over time to focus attention on areas of particular importance, or to exclude questions the researcher has found to be unproductive for the goals of the research.

Similar to the above, Bogdan and Biklen (1982) argued that qualitative interviews may be used either as the primary strategy for data collection, or in conjunction with observation, document analysis, or other techniques. It is in this context that the research will use both in-depth interviews and documents for data collection purpose.

An interviewer develops an interview guide which is a list of questions or general topics or themes that the interviewer wants to explore during interviews. Through in-depth interviews the interviewer firstly builds rapport then asks open-ended questions on a particular theme to obtain broad spectrum answers and can probe for more information on specific issues. Interview guides help interviewers to be focused and ask the same questions of all the interviewees. Interview guides can be modified depending on the interviewee and areas that the interviewer would want to focus on.

In the process of interviews, Patton (1990: 348) suggested that a tape recorder is “indispensable” while Lincoln and Guba (1985: 241) “do not recommend recording except for unusual reasons”. Lincoln and Guba based their recommendation on the intrusiveness of recording devices and the possibility of technical failure. However, recordings have the advantage of capturing data more faithfully than hurriedly written notes might, and can make it easier for the researcher to focus on the interview.

Denscombe (2007) pointed out that the researcher cannot therefore secretly record conversations or use casual conversations as research data. Unless the interviewee prefers to remain anonymous, the interview will be treated as ‘on the record’ and ‘for the record’.

(b) Document Analysis

Complementing interviews this study used document analysis as a data collection tool. Document analysis was done in order to maintain the trustworthiness or cross-checking with responses given by the informants. According to Caulley (1983: 19) document analysis is a superior way to find out retrospective information about a performance problem and may be the only way that some types of data may be obtainable. He further argued that documents or archived sources are excellent

sources for collection and analysis of data. Therefore, documents are analysed with a question or hypothesis in mind of what the researcher is looking for.

The above is supported by Witkin and Altschuld (1995) who argue that the purpose of document analysis is to gather information or data. Document analysis involves the collection of facts from available documents within an organization such as existing files, reports, or records. During document analysis the needs analyst looks at outcomes, problems and accomplishments and uses this information to draw inferences about current organizational and employee performance (Witkin and Altschuld, 1995).

The researcher is of the opinion that up-to-date policy documents or reports from various stakeholders were used for document analysis in this research in order to answer the research questions.

3.4.2 Secondary Data

Secondary data is data that is not collected directly by the researcher or any other user and in this study includes government reports on subsidy, amongst others. Secondary data may be from internal sources as it may have been collected and published by the same organization. Secondary data is, however, important in research as it contains rich information and is more cheaply available than primary data.

The research used a) government reports, b) peer-reviewed academic journals, c) library books, d) newspapers, e) conference reports, g) internet websites, and h) academic research reports. According to Zikmund (2003: 62) this is a kind of data that was previously collected and assembled for some projects other than the one on hand.

The classical model for policy making processes allows for determination of the main actors, legitimacy, mandate, processes and possible influences of policy formulation process (Dunn, 1994). Education policy formulation in post-apartheid South Africa

commenced with the publication of the first White Paper on Education and Training in 1995 (Department of Education, 1995a).

3.4.3 Sampling

According to Neuman (2006: 219) a sample is a small collection of units from a larger collection or population, such that the researcher can study the smaller group and produce accurate generalizations about the larger group. In quantitative research, sampling is based on mathematical theories of probability.

The above is consistent with Merriam (1998: 60) who define sampling as the selection of a research site, time, people and events in field research. According to Merriam (1998: 62) the number of participants in a sample depends on questions being asked, data being gathered, the analysis in progress, and the resources available to support the study, and so on. She further noted that purposive sampling emphasizes the selection of information-rich cases from which a researcher can discover, understand and gain more insight on issues crucial for the study.

However, qualitative and quantitative researchers approach sampling in different ways. Qualitative researchers focus less on the sample being representative but on how it illuminates social life. In qualitative research, purposive sampling which is also referred to as non-probability sampling is the commonly used method of selecting a sample as it focuses on unique cases that are especially informative (Teddlie and Yu, 2007).

In contrast, purposive sampling is the dominant strategy in qualitative research. Purposive sampling seeks information-rich cases which can be studied in depth (Patton, 1990: 169-183). According to Lincoln and Guba (1985), the most useful strategy for the naturalistic approach is maximum variation sampling.

This research adapted purposive sampling because it seeks rich and in-depth information as suggested by Patton (1990: 169-183). It is in this context that key respondents from various locations will be chosen to provide rich and in-depth information in attempting to answer the research questions.

Table 2 below outlines a list of interviewees with a view to understand the relationships, causes and effects. Policy analysis must scrutinize the ways in which a given policy constructs policy problems and their context, including the way the context has been framed. This research therefore involved 'the interpretation of social settings or the process by taking account of meanings which people have already given to those settings or processes'.(May,1997)

Table 2: Details of Respondents

Ref	Details	Background	Contribution/Past Role
1	Helen Perry	WITS-EPU, Academic	Policy Researcher, IPET and CEPD Discussant
2	John Pampallis	WITS-CEPD, Academic	Hunter Committee member
3	Luis Crouch	Department of Education	International Consultant for the Hunter's Committee
4	Andrew Donaldson	Department of Finance	Consultant, Schools Funding Norms Development
5	Blade Nzimande	SACP/ANC	Char, ANC Education Study Group and Portfolio Committee Member
6	Reg Brijaj	Trade Unionist/ANC	Vice President, South African Democratic Teachers Union
7	Pandy Pillay	Policy Researcher/Analyst	Policy Researcher, Research Triangle
8	Peter Buckland	World Bank	Hunter Committee Member
9	Trevor Coombe	Department of Education	CEPD Discussant, Consultant for the Hunter's Committee Member

Source: Own, 2004

3.5 Data Analysis

Data analysis is a complex and multi-methodical process of making sense out of the raw data from the field. At the early stages of data analysis, it is advisable to organize data into file folders, index cards or computer files. According to Creswell (1998: 143) there is no consensus on the mode of analysis of qualitative data. Qualitative analysis of data, which in most cases is voluminous, requires some ingenuity or intuition since the challenge is to organize raw data into logical, meaningful categories so that it is examined in a holistic way and at the same time explained to others in a meaningful way. Merriam (1998: 162) argues that without ongoing analysis, data can be unfocused, repetitious and overwhelming in the sheer volume of the material that needs to be processed.

Bogdan and Biklen (1982: 145) define qualitative data analysis as “working with data, organizing it, breaking it into manageable units, synthesizing it, searching for patterns, discovering what is important and what is to be learned, and deciding what one will tell others”. However, Patton (1990) claims that qualitative researchers tend to use inductive analysis of data, meaning that the critical themes emerge out of the data.

Data analysis begins with reading the transcripts from the field in their entirety several times to allow the researcher to fully understand the details of the research and try to make sense of the interviews as a whole before categorizing it into themes or key concepts. At this stage the researcher should continuously reflect on the broader picture presented by the raw data and then form categories which are supported by evidence. The identification of themes or categories is referred to as “open coding”. In qualitative research, the formation of categories represents the heart of data analysis (Creswell, 1998: 144).

On the basis of this research, data was organized and coded to avoid confusion. The categorization of themes was drawn from the research questions. The research used tables and bar-charts to present data which simplify the analysis process.

This study employed discourse analysis as a data analysis tool. Discourse analysis assisted the study to understand key issues that helped to shape education policies in post-apartheid South Africa and factors that affected the policy transformation process from the informants' point of view. Analysing their responses from the transcripts to determine what meanings they attach to their actions, feelings and behaviour helped the researcher to analyse and interpret data better.

Both the first-order and second-order interpretation approaches were carried out. According to Neuman (2003: 148) first-order interpretation is the interpretation attached to an event, behaviour or action by the informants. In other words, this is how the informants see the events, or behaviour or actions. First-order interpretations are meanings attached by informants. The second-order interpretation was carried out by the researcher after the first-order interpretation. At this stage of interpretation the researcher tried to understand the interpretations as presented by the informants and attached the contextual meanings to them.

3.6 Validity and Reliability

According to Neuman (2006: 188) validity and reliability are salient issues in measurement since they are both concerned with connecting measures to constructs. Validity and reliability are central issues in research because constructs are often ambiguous, diffuse and not directly observable. Reliability means dependability or consistency of results over time if the results of the study can be reproduced under similar methodology.

Seale (1999: 266) pointed out that the trustworthiness of the research lies in the heart of validity and reliability. Validity is about how well matched the logic of the method is to the kinds of research questions being asked and the kind of social explanation the researcher is intending to develop. Joppe (2000) defines reliability as the extent to which results are consistent over time. The research is aimed at ensuring that data collected is both reliable and valid. It is in this context that the multiple data sources were undertaken to maintain validity and reliability. Data was also cross-checked with multiple interviewees and documentary sources.

This study attempted to rigorously create trustworthiness so that the results can be credible. Corroboration, openness, member checking and thick descriptions of methodologies of data collection and analysis were used for this purpose. Policy actors' views and meanings of policy statements were corroborated with other respondents' views to check common understanding.

3.7 Significance of the Study

The study aimed at understanding key issues that helped to shape education policies in post-apartheid South Africa and to examine factors that affected the policy transformation process. Therefore, the study will help to bring about possible solutions or improvements to policy development issues for the future similar projects. Thus, understanding the challenges that lie ahead can better prepare one for future interventions.

3.8 Limitations and Ethical Considerations of the Research

The research limited itself to examine the nature of the forces that have given shape to education financial provisions and explore the validity of the claim that the Growth, Employment and Redistribution Strategy influenced the policy-making process of the educational financial provisions of the South African Schools Act (SASA) and the process of development of the financial provisions. The research is undertaken with the understanding that information given at interviews might be subjective and not represent a generalised state of affairs. It was found that some of the informants were difficult to reach due to complicated time schedules and personal commitments.

For ethical reasons; no respondents highlighted a challenge in being cited as a source. All responses were analysed using the identity of the respondent. It was clearly stated to the respondents that the study is purely for academic purposes and that they would be cited as a source and lastly, the respondents were thanked for their participation in the study.

3.9 Summary

This chapter provided an overview of the nature of the problem and the challenges it poses. The main aim was to highlight the research questions which are critical to the understanding of the research problem.

In addition, this chapter has presented an overview of the research methodology followed to conduct the research. It has contextualized the research approach and design by explaining data collection methods. The chapter also explained the significance of the study, followed by limitations and ethical considerations of the study.

CHAPTER FOUR

PRESENTATION OF FINDINGS

4.1 Overview

This chapter presents the data collected from the primary sources, which are informants and document analysis. The data collected from the respondents is presented in the form of responses to the main research questions. In doing so, the researcher categorizes the data under themes that are derived from the sub-questions. The presentation of data uses the real names of the respondents as agreed upon.

The data collected from the respondents is presented in the form of responses to the main research questions. In doing so, the researcher categorized the data under themes that were derived from the sub-questions and not outlined in any order.

In presenting the data, themes and sub-themes evolved out of the research questions, namely:

1. Equity and Redress
2. Fiscal Environment
3. Protection of the status Quo using Section 247
4. Decentralization and Governance
5. A negotiated transition

4.2 In-depth Interviews

The following section captures the interviews with the respondents, followed by the review of documents and then followed by a thematic reflection on the themes. This study assessed the nature of forces that gave birth to the education financial provisions in the South African Schools Act (SASA), focusing on the policy

development process and adopted options. This involved the analysis of factors influencing key players in the process, their positions and dynamics, and interpreting the context under which the process unfolded. It will further discuss and analyse the following documents: White Papers on Education, Hunter Committee, National Qualifications Bill, National Education Policy Bill, Section 247, Gauteng's Schools Education Bill and the Norms and Standards of School Funding.

This chapter presents the data from varied sources namely, interviews, document analysis and a reflection on emerging central themes uncovered in the interviews and complemented with documentary analysis. These included background information to the politics which includes the composition of policy role-players and the factors influencing the process of development of the financial provisions in the South African Schools Act, redistribution issues, and the macro-economic environment,

The process of educational reform, particularly the introduction of financial provisions in the South African Schools Act, necessitated deeper understanding of intricacies surrounding policy formulation. This is the sole reason that motivated for close examination of roles played out by important policy actors in this area. The presentation of findings from the interviews are presented per respondent, complemented by documentary analysis and later under the cited themes.

In-depth interviews were conducted where 8 interview appointments were secured and only one respondent could not be interviewed out of a total of 9 intended interviews. The appointments were secured with varying durations depending on the role played in the policy development process.

The findings will be reported indicating the role that each individual "elite interviewee" had on the process and what their views were with regards to the sequence of events around financial provisions in the South African Schools Act. In depth interviews held with each respondent reflects the varied positions and will therefore be presented individually.

The process of educational reform with particular reference to the financial provisions in the South African Schools Act required a deeper understanding of the constraints and contradictions of the policy formulation process and hence a need for a closer analysis of the roles of important policy actors in the change process.

The overall response from respondents was that the thinking that GEAR had enormous influence on process of educational policy development i.e. financial provisions within SASA or policy options adopted thereof proves untrue but instead power struggles to protect private or political and economic focused around financial provisions interests.

According to Coombe (interview, April 2004) ¹ the actual provisions are complex in that they take into account the situation that was inherited, on the one hand, there was a commitment for 10 years of free and compulsory education. He maintained that the funding provisions can be seen from 2 perspectives firstly, from the national budget system and secondly, from the individual schooling community and governance within a school. He therefore argues that people had a more pragmatic view and not in the ideological sense. Government was operating in a situation unique where it inherited a situation that was difficult, a recession economy. Given the reality of the situation, the funds were insufficient consistent with the political agenda reflecting transformative and transformational intentions where it had to adjust the provisions in view of fiscal circumstances.

Buckland (interview, June 2004) argued that if schools are funded equally with non-salary funds, it would be inequitable. According to him this was in favour of a fee system because it did not allow any fees beyond salaries in privileged schools and greater resources to needy schools. In addition, maintained that The Committee was quite finely balanced between progressive and conservative interests and moved a

¹ Trevor's **Coombe's** perspective of SASA is influenced by the fact that he was involved at the CEPD discussions that took place in developing the ANC document and associated with John Samuel ensuring that we deliver a policy document and was a member of the strategic management team and worked especially on preparation of the White Paper. He was appointed Systems and co-ordination in the systems and planning branch. He became Director General and chair of legislation Committee in preparation for the SA bill. Subsequently started working on the funding policy in line with the second White Paper. Chair of HEDCOM was responsible for School Funding Norms putting it together for many, many months.

great deal on compromise. As far as he is concerned there was a strong commitment to compromise and finding a practical solution...’.

Whereas Crouch (interview, May 2004) argued that ⁱ “The country’s fiscal authorities are serious about containing public spending in general (the infamous Growth, Employment and Redistribution Strategy-GEAR) and public consumption” in particular. According to him; the ideal would have been if the state could support all schools at the same level as the best ones. But that was fiscally impossible; there was just not enough money. As far as he was concerned, there was no relationship between the process of developing financial provisions in SASA and the policy of GEAR. He maintained that the policy process as it evolved had as its aim the protection of public schooling. The whole aim was to make private schools compete with public schools.

Nzimande (interview, June 2004) ² argued that the situation was such that there were constraints of the budget and the option of charging school fees was due to the fact there was not enough money. Even without GEAR we were not have been able to achieve free and compulsory education so GEAR cannot be blamed. He further argued that the dilemma in parliament was how do you harness finance and human resources in public schools. He maintained that the intention was to keep the middle class so that they do not flee the public schooling system. The process of policy development was not influenced by GEAR, they did not have and still do not have resources although conceded, this was exacerbated by the GEAR policy and key elements of GEAR were neo-liberal. He further indicated that in the first instance in 1996 SASA was adopted in June and processes were taking place simultaneously and there was an impact. This took place in a context of negotiations in a political context where South African negotiated the transition by the liberation movement over compromises and tradeoffs. There was a measure to keep the balance of forces that were still in play and were very strong. According to him GEAR came with a set of contextual limitation bringing up infrastructure backlogs. The situation was due to constraints of the budget so by charging fees it showed there wasn’t enough

² Dr. Blade Nzimande was the chair of the Study group as well as the Portfolio Committee on Education from 1994 to 1999.

money even without GEAR we were not going to achieve free and compulsory education so GEAR cannot be blamed.

Nzimande (interview, June 2004) further argued that governance provisions in SASA were influenced by negotiated settlements with the former model C schools as a result of Section 247. These negotiations aimed at reassuring (mostly) white parents and teachers that no major alterations would be instituted without their involvement. Nzimande pointed out that there was a strong resistance by the formerly white schools due to their determination to remain exclusive without becoming racial.

Perry (interview, April 2004)³ argued that it was the big debate; it came at the same time with GEAR. ANC historical backlogs and targets for fiscal discipline were harsh.” She further maintained that when coming to the School Funding Norms was the issue of school fees and how to retain knowing that the state did not have enough money, funding would be equalized and hence the option was to retain public fees. According to Perry, the priority was to keep a financing system that ensured the retention of learners in the public system and how to retain all children including black children within the public system. In addition; she maintains that following from that was the issue of increasing the state allocation to poor schools developing progressive funding when poor schools could be identified, recognising that there was not enough infrastructure.

Pampallis (interview, April 2004)⁴ argued that the state could not provide adequately for education and so those families who could afford were expected to contribute and the state had to divert funds to the poor. When this phase took place most of it coincided with an international trend of decentralization management by results and accountability rather than by management by centralization and according to him;

³ **Dr. Helen Perry**-was involved in the process of policy development specifically the financing process from 1994 when the ANC had already produced the yellow book on financing policy and also in the process of developing the implementation plan for education and training and each sector then tried to write a more comprehensive approach to it with the interim provincial government at the CEPD as a policy researcher working at IPET. In 1996, she worked at the National Department in her capacity as EMIS Director in the Financial Planning section and was involved in the budgetary process specifically allocation of provincial budgets on School Funding Norms tabled in 1998.

⁴ John Pampallis-was part of the research team that participated in the education and training policy development processes for the democratic movement and was a member of the Hunter Committee.

the state was deflecting its responsibility to communities. From his perspective; the discussions were never guided by the macro-economic policy framework. This process took place at a time that coincided with the international trend of decentralization. He further argues that this process thus indicates more of a contextual problem highlighting the balance of power rather than the influence of neo-liberal policies.”

Brijraj (interview, June 2004)⁵ argued that the political context then was different. The time had come to be checked and regulated. There needed to be control otherwise education would have become a commercial venture.

Pillay (interview, June 2004)⁶ argued that there was no link between globalization and the process of developing the financial provisions within the South African School’s Act.

The in-depth interviews present an advantage of using primary data in that it provides a understanding of the respondents perceptions and experiences thereby providing a solid and deep understanding of the study and supplemented by documentary analysis.

The secondary source of data for the research made use of document analysis.

4.3 Document Analysis

This section discusses findings from key documents like White Papers on Education, Hunter Committee Report, National Qualifications Bill, National Education Policy Bill, Section 247, Gauteng Schools Education Bill, and the Norms and Standards of School Funding.

4.3.1 First White Paper on Education

⁵ Reg Brijraj was a trade Unionist and Vice President of the South African Democratic Union

⁶ Mr. Pandey Pillay was a policy Researcher at the research Triangle

This paper was entitled White Paper on Education and Training and initiated the initial phase of education transformation. It emphasised budget reforms and education requirements and in particular the need for the national and provincial education budgets to perform the functional requirements of provision of cost-effective services and institutions in line with the policies of the Government of National Unity, the national Ministry of Education, and the provincial Ministries of Education respectively (Department of Education, 1995a).

The Department of Education (1995a) advised that the following must be ensured, amongst others: firstly 'Provincialisation' was to ensure that the procedural and decision-making structure of education funding is being transformed. This would include reorganization of the previous 14 ethnically-based departments and services into nine provincial departments, hence the need for investment in infrastructure and logistical support, as well as an element of redundancy payments. In addition the exercise would involve disposing of accumulated debts on educational services rendered by the DET to some former TBVC and SGT administrations, and paying off interest on bank overdrafts incurred by the same administrations. Secondly, 're-conceptualisation' was needed to reflect the new democratic education and training system which would be based on 'equity' as the basic principle of budget strategy.

The first White Paper on Education also noted that the education budget was constrained due to the government's overall fiscal policy and that the national and provincial Departments of Education needed to independently strategise on effective access to the RDP Fund (Department of Education, 1995a).

In addition, it was noted in the first White Paper that there was massive expenditure pressure in the need for redress and rehabilitation where an estimated shortfall in classrooms was 50 000 to 65 000 and that rehabilitation costs (arising from underfunding for maintenance, as well as the results of violence and vandalism) required urgent attention. There was also the need to commit funds towards extended and new services, in which case the government was hard-pressed to introduce free and compulsory general education (to Standard 7), a culture of Learning programme, an Adult Basic Education and Training programme and an Early Childhood Development programme, among others (Department of Education, 1995a).

It was further emphasised that equity would be the basis of financial allocation and appropriate periods of notice must be built in to any significant changes in funding patterns. In order to achieve the above changes the Minister of Education was mandated to appoint a Committee to Review School Organisation, Governance and Funding (Department of Education, 1995a).

4.3.2 Second White Paper on Education and Hunter's Committee Report

This paper was entitled the Organisation, Governance and Funding of Schools (Education White Paper 2); it was based on education and training of 1995 and clarified the legal requirement for school fees by acknowledging the fiscal constraints of achieving equitable education. It referred the matter for investigation to the Hunter Committee.

The Hunter Committee and the Second White Paper on Education reaffirmed that the provincial budgets would be restructured to secure fundamental constitutional requirements and policy objectives; these specifically included school operation costs, public schools funding, and conditional funding to independent schools (Department of Education, 1996a). Thus the school operating costs were proposed to be funded partly through subsidy and partly by income-related obligatory school fees for all parents who could afford them; it should also be noted that all pupils who could not afford the fees were to be protected from expulsion (Department of Education, 1996a). Most importantly, it reaffirmed the positions adopted by the first White Paper with regard to inequality and inequity in the sector.

The second option was the 'equitable school-based formula' approach, which emphasised equity and redress with the key aim of achieving per capita equity in the allocation of resources, in order to enable the government to meet its constitutional obligation to ensure a minimum quality basic education for all learners (Department of Education, 1996a). Under this option a formula based on school enrolment, weighted for redress and affirmative action factors and policy motivation would be developed to determine funding for each school, based on a calculation of what gross per capita budgetary allocation can be afforded in the compulsory school phase. All schools would be encouraged to raise voluntary school development funds and compulsory fees would be outlawed (Department of Education, 1996a).

The third option would be a 'partnership funding approach' which would seek to balance the principles of equity, redress, quality and efficiency within a framework for partnership funding between government and communities (Department of Education, 1996a), and sought to have the provincial budgets re-structured to secure capital, redress, funds for core services (such as administration, quality assurance and monitoring, teacher support, and planning), salaries (for support staff and for teachers) and operating costs (for textbooks, stationery and teaching materials). This option was criticised by the education consultants hired to review the Hunter Committee Report on the basis that the public education system could not be allowed to influence the development of independent schools as the preferred choice by parents and that this tendency would result in depriving the public school sector of the financial, managerial and persuasive capacities of an increasing proportion of the better-educated and better-off segment of the population, regardless of race (Department of Education, 1996a).

The consultants thus proposed a fourth option in which the governing bodies were first allowed to decide on targets for raising revenue, to finance expenditure beyond what would be afforded from the provincial education department's allocation (Department of Education, 1996a). The governing bodies would be empowered to raise fees and/or voluntary contributions from parents at levels determined by themselves in the light of their collective income resources, the needs of their school and their expenditure targets; the fees would be compulsory, and defaulting parents could be sued for payment (Department of Education, 1996a). It was noted that no child would be excluded from school as a result of fee payment default (Department of Education, 1996a).

4.3.3 National Education Policy Bill

This bill set out the powers of the Minister of Education and stated also that every person had a right to a basic education and that there should be equal access to education.

The National Education Policy Bill empowered for the determination of national education policy by the Minister of Education in accordance with the Constitution and consultation with provincial legislation and Council of Education Ministers (which

includes the Members of Provincial Executive Councils responsible for education) and other bodies before formulating national education policy (South Africa Survey, 1995/6). This bill was, however, referred to the Constitutional Court for interpretation and adjudication after a petition signed by the African Christian Democratic Party (ACDP), the Democratic Party (DP), the Freedom Front (FF), the Inkatha Freedom Party (IFP), the National Party (NP) and the Pan African Congress (PAC), but after a court ruling was eventually signed into effect. The court ruled that 'National Standards' had to be complied with and as such it remained constitutional to continue with the contentious provisions as envisaged in the bill (South Africa Survey, 1995/6).

4.3.4 Section 247 Negotiations

The negotiations of Section 247 were marked by controversy resulting in challenges to the bill based on the limitation of the role of parents in determination of school fees, finances and hiring of teachers. The Education Portfolio Committee reacted by making some changes to the bill before adoption, which specifically committed the Minister of Education to set national policy guidelines on fees exemption and empowering the provincial departments to decide on admissions. The NP objected to the downgrading of parental and community power in the bill despite the fact that the policy implied that redistribution would focus on needy students.

Having inherited the disparities from the apartheid era the new government embarked on a programme guided by the need for equity, redress and healthy fiscal policies. Several policies were thus formulated and implemented, and these included the first White Paper on Education, the Second White Paper on Education, SASA and the SFN.

The study undertook an assessment of policy formulation processes and factors that shaped education financial financing options in post apartheid South Africa. The period in focus is 1994 to 1998.

The specific policy analysed is the South questions that the study undertook to answer were (1) 'What were the key considerations that influenced the development

of the financial provisions in SASA?', (2) 'What were the positions postulated, and dynamics in the development process of SASA?', (3) 'What were the forces behind the act and policy formation process?', (4) 'Why do we have such a policy in the context of post apartheid South Africa?' and lastly 'What were the challenges and benefits of implementation of SASA?'.

In an attempt to answer these questions various themes emerged. These include equity and redress, constraints in fiscal environment, protection of the status quo through the use of section 247 of the interim constitution, the need to keep the middle class in public schooling, free education and preservation of the status quo.

4.4 Themes

Themes emerging from interviews and document analysis have been presented in detail in below outlined sections as follows:-

4.4.1 Equity and Redress

The negotiations were closely followed by the Gauteng Schools Education Bill (and other generic bills in the provincial chambers) which tied funding and registration to transformation. Details of this bill are presented in the document analysis section. Closely tied to the negotiations on Section 247 was the introduction of Norms and Standards of Schools funding which, according to Motala (1998), was well received due to the great efforts towards redressing funding imbalances at disadvantaged schools. The Norms and Standards of Schools Funding ensured that the poorest 40 per cent of schools would receive 60 per cent of the province's non-personnel budget whereas the wealthiest 20 per cent of schools would receive 5 per cent (Department of Education, 1998).

Crouch (interview, May 2004) listed four financial options which were, firstly, the extension of status quo with gradual equity improvements; secondly, progressive school-based funding using a formula to guide inputs funding and voluntary fees; thirdly, equal funding of personnel, progressive funding of non-personnel and

obligatory fees; and fourth, progressive school-based funding using a formula to determine all inputs funding and obligatory fees.

In Crouch's opinion (interviewed, May 2004), the first financial option would have been slow in redressing the disparities caused by apartheid, while the second option would have effectively redressed the disparities caused by apartheid but was not popular with the public. The third governance option would not have addressed disparities inherited by apartheid because only non-personnel costs could have been tackled under the equity-weighted funding. The fourth option appeared the most favourable and differed from the second one in that it made it mandatory for the parents who could afford it to pay a mutually agreed fee. As such, the fourth option was adopted. An (interview, April 2004) Pampallis's opinion, the 4th option was the most suitable based on the existing fiscal constraints and the fact that greater equity was needed as the country set out on the route to redressing ills inherited from apartheid.

The introduction of financial provisions in SASA was an attempt by the ANC to ensure that equity and redress was achieved in a tight fiscal environment stifled by low economic growth (average of 2.8 per cent from 1994 to 1998 as reported by Loots, 2004). Though great achievements have been made in this respect Pampallis, April 2004) some policy analysts argue that progress has been slow mainly due to policy failures at initiation and implementation stages (Karlsson, *et al.*, 2001; Lewis and Naidoo, 2004).

As to whether SASA succeeded in ensuring redress and equity the debates continue with Karlsson, *et al.*, (2001) and Lewis and Naidoo (2004) arguing that there remains much to be seen in terms of progress in achieving equity mainly because of inappropriate policies, an uncondusive environment and poor implementation strategies.

It can, however, be claimed that greater monitoring is needed on the ground to ensure that the implementation of SFN is fruitful in ensuring redress and equity in education. It is on this account that a non-governmental body embarked on a campaign to ensure that education remained free in poor communities in a

programme named the “Global Campaign for Education” (Oxfam, 2001). The main players in the theatre of policies were identified in earlier chapters as the ANC and allies on one hand and the NP and allies on the other hand. These parties were guided by opposing policies that could be divided into two periods, the apartheid period and the post-1994 period.

During apartheid the NP and allies supported exclusivist and segregationist education policies hence policies that culminated in the ‘Bantu Education Act’ and ‘Extension of University Education Act’ (Collins and Gillespie, 1984). The ANC on the other hand fought for equal opportunities for all as espoused by the adoption of the Freedom Charter and policy papers during this period. In the post-apartheid period the NP and allies reintroduced exclusivity and tried to protect white privileges by first reclassifying the previously white-only schools into models A, B and C through regulations and in its Educational Renewal Strategy (ERS) and voicing support for a market-based education policy whereby the parents would choose schools based on levels of affordability (Saied, 1999). The ANC, on the other hand, believed in the right to education and training for all and hence voiced the creed of free and compulsory education (ANC, 1995).

It is against this background that when the ANC came into power it set in motions through a series of policy actions which culminated in the enactment of SASA in 1996. The main aim of SASA was to redress past inequalities and transform the schooling system to a realisation of greater equity (Karlson, *et al.*, 2001) although the argument advanced lacks depth in critically evaluating contextual issues noting the fiscal constraints at the time.

It was hoped that balancing educational spending between the two economic divides of the populations and provincialisation of the budget would enhance equity and redress. It is thus not surprising that this opinion is confirmed in (interviews, 2004) with Coombe, Crouch, Pampallis, Brijraj and Pillay although the fiscal circumstances posed challenges in totally achieving equity and redress.

It is no wonder then that equity and redress in staff allocations, voluntary severance packages, and school funding norms became central themes in the implementation

of SASA. Statements such as “... the voluntary severance packages was one issue which was seen as a way of bringing change...” attributed to Perry (interviewed, April 2004) explains how desperate the new government was in efforts to achieve redress and equity.

At the same time the enactment of the Gauteng Education Bill and the generic bills further underlined this in their attempt to link registration and public funding to widening access to educational facilities and elimination of discrimination. On the other hand the actions by the Western Cape Education Department that centralised control of schools, restored power to school governing bodies and the right to determine language and religious policy in schools (Western Cape Bill, 1997, Sections 52, 53), to operate ‘model C’ schools and SGBs constituted during apartheid (Western Cape Bill, 1997, Section 26.1) and which omitted certain sections of SASA, betrayed the determination of the NP and allies to perpetrate exclusion policies and protect white privileges reminiscent of the apartheid era.

This was followed by the appointment of the Hunter Committee which was mandated to review the organisation, governance and funding of schools (Department of Education, 1995b). It is important to note that the report of the Hunter Committee was handed to two international consultants, Colclough and Crouch, for evaluation of proposed funding options; this was then followed by public debate which resulted in a draft White Paper (Department of Education, 1996a).

The second White Paper on Education was published followed by negotiations and drafts of bills for various local constituencies. The main constituencies were the governing bodies of schools as constituted under section 243 of the interim constitution, teachers’ organisations and the Department of Finance (Karlsson, McPherson and Pampallis, 2002).

The process of educational reform, particularly the introduction of financial provisions in the South African Schools Act, necessitated a deeper understanding of intricacies surrounding policy formulation.

In an e-mail (interview, June 2004) Buckland⁷ acknowledged that there was a strong commitment and great compromise in the Hunter Committee to reach a solution on the school fees issue and goes on to recall that Crouch⁸ argued for per capita allocation as the best way for achieving equity in funds distribution. In an (interview, May 2004) Crouch's argument was that if schools were funded equally with non-salary funds it would be profoundly inequitable to allow privileged schools to get no funds beyond salaries.

Buckland (interview, June 2004) reiterated that the position advanced by the ANC (and many including Godden and Colclough (interviewed, June 2004) on school fees and equity was that if model C schools were not allowed to levy fees their quality would reduce and as a result the middle class would withdraw their students. This implied lack of political will to sustain a public system of education. This was echoed by Nzimande in an (interview, June 2004) when he pointed out that the dilemma in parliament was how to harness finance and human resources into public schools without triggering the fleeing of pupils from the middle class population from these schools.

Coombe (interviewed, April 2004) on the other hand, maintains that the approach to creating redress and equity was multifaceted and also included the use of the Schools Funding Bill (SFN). SFN ensured that imbalances in staff qualifications were considered while allocating resources. Perry⁹ reiterated that imbalances could only be redressed through rationalisation of salaries, provincialisation of budgeting, redeployments, increased state allocation for poor schools, and voluntary severance packages. In addition Helen Perry(interviewed , April 2004 acknowledged that the ANC's policy of "free education" was not feasible in view of fiscal constraints

This is the sole reason that motivated for close examination of roles played out by important policy actors in this area. It would therefore be critical to interrogate the nature and balance of forces.

⁷ Mr Buckland was a member of the Hunter Committee and the school financing workgroup set up by Trevor Coombe and led by Chris Colclough.

⁸ Crouch was a technical adviser and consultant to the Department of Education in the periods 1995 to 1996 and 1998 to 2002.

⁹ Helen Perry was a policy researcher at IPET and took an active role in formulating financing processes at the CEPD.

4.4.2 Nature and Balance of Forces

Available data highlight the fact that the Hunter Committee was balanced between the progressive forces (ANC and allies) and conservative forces (National Party, Freedom Front and allies) with the former aiming for transformation demands for equity and redress while the latter supported continued preferential treatment as supported by apartheid. It is, however, worth observing that both parties were greatly committed to compromising and finding pragmatic solutions.

The ANC was the majority in the 'education portfolio committee' even though it was all-inclusive. The ANC postulated positions arrived at after consultation and debates with its alliance partners and cadres organised by the education study group which worked as a caucus (Nzimande, 2005).

Immediately after the 1994 elections, the government concentrated on the development of an open, democratic and equitable framework to restructure the economic and education systems. This meant compliance with principles of redistribution and development hence greater state responsibility in controlling the economy. The context in which the change process surfaced presented a dilemma with regard to meeting basic needs, meaning there was a high demand for social services when the state needed to concentrate on maintaining fiscal discipline. The process was also characterised by a strong commitment to equity.

Crouch (interviewed, May 2004) outlines that the governance options available during this time were strong and equal school-based decentralisation, negotiated and differential decentralisation to school level under provincial support, and centralised provincial administration along the South African lines.

This was fiercely supported by Perry (interviewed, April 2004) who argues that "the apartheid education renewal strategy was a powerful force in retaining white privileges". As a result the negotiated settlement allowed for these schools to continue using Afrikaans. The negotiation was as a result of a show of magnanimity by the majority party in government (ANC and allies) towards the minority party (NP).

There were attempts by the NP and allies to maintain the status quo under the guise of Section 247 of the interim constitution, but with limited success, given the onslaught of Gauteng Education Bills and other generic provincial bills which linked public funding to schools registration, widened access to students, and stipulated non-discriminatory practices.

Another aspect of protection of the status quo came with the ANC's determination to ensure that movement from the public schools to private schools due to changes in education policy was limited; this was expressed in the (interviews, May 2004) with Brijraj and Pillay, Nzimande and Crouch, who specifically admitted that the introduction of the financial provision in SASA was a compromise to avoid a move of the middle class from public schools as earlier reported in chapter four.

It should be remembered that Section 247 of the interim constitution was also used to maintain the status quo. In the interviews, 2004 with Coombe, Perry, Brijraj, Nzimande and Pillay, it was noted that Sections 32 and 247 were used to protect historical privileges. Section 32 specifically provided for the right to basic education, equal access, choice of language of instruction where practicable, and establishment of common culture and common religion schools, provided there was no discrimination. Section 247 specifically stated that any change in these provisions could only be achieved via *bona fide* negotiations. This was specifically underlined by the NP's attempts to object to the downgrading of parental and community power by SASA which deferred some power to the minister of education to step in where necessary. Attempts to rein in schools which refused to undertake transformation under the guise of Section 247 resulted in enactments of the Gauteng Schools Education Bill (and other generic bills in the provincial chambers) which tied funding and registration to transformation.

4.4.3 Fiscal Environment

Chisholm (1994) advances the theory that the approach and vision for financing education represented by the ANC and allies was shaped by a sense of constraint and austerity. This approach was influenced by balancing of the dual needs for

controlling the education budget and expansion, cost cutting and donor financing in the education sector. Tight control of the education budget would ensure sustainability and escape from the debt trap as a result of borrowing whereas cost cutting and donor funding could realise the much-needed expansion of access to education.

It is indeed not surprising to note that Chisholm (1995) observed that the effects of financial stringency were felt across the board with the teachers being the hardest hit. Chisholm (1995) specifically observes that in 1993/4, a total of 1 631 qualified teachers were made redundant while a further 1 332 were retrenched or retired leading to creation of 2 963 vacancies. Chisholm (1995) further notes that in the same duration 2 373 newly qualified teachers failed to be posted leading to substantial vacancy in posts; in addition new tax rates introduced that year greatly hampered teachers and other middle income groups as women teachers lost their subsidies. The teachers reacted by demanding an 18.4 per cent increase in salary. These events demonstrated that the government was facing serious limitations in budgetary allocation and scarcity of resources.

The interviews and document analysis indicate that macroeconomic policies had little or no influence on the process of drafting financial provisions in the SASA but fiscal constraints were a major challenge. This contradicts the contention that existing tensions and contradictions of globalisation and specifically neo-liberal doctrines played a part in policy development in South Africa after apartheid. The Growth, Employment and Redistribution Strategy (GEAR) adopted by the South African government in 1997 has been blamed as affecting transformation processes by linking it to neo-liberal market-oriented strategies for economic growth and discrediting state-centred models of development (Chisholm, 1997).

Crouch (interviewed, May, 2004) acknowledged in the interview that at the time of formulation of SASA, South Africa was under tight fiscal direction to control public spending due to GEAR. At the same time, as Crouch (interviewed, May 2004 reiterated in the interview, the introduction of financial provisions in SASA was meant

to protect public schooling. This is also acknowledged by Brijaj¹⁰ and Pillay¹¹ (interviewed in June 2004) who specifically admitted that the introduction of the financial provisions in SASA was a compromise to avoid a shift of the middle class from public schools while at the same time emphasising equity and redress.

Crouch (Interview, May 2004) identifies the advantage of school fees as the fact that it would prevent random and uncontrolled transfer from these schools to private schools, while simultaneously he idealises a system whereby the state can support all public schools in entirety but admits its impossibility due to financial inadequacies.

Crouch (Interview, May 2004) reiterated that there was no relationship between the introduction of financial provisions in SASA and GEAR and the economic policy. This was supported by Nzimande and Perry (interviewed, May 2004) who additionally pointed out that SASA and GEAR were developed by parallel processes and neither influenced the other. Perry (interviewed, April 2004) also acknowledged that at the time of formulation of SASA and GEAR the ANC was faced with historical backlogs and harsh financial targets. Similar contentions were reflected in interviews with Pillay and Brijraj (interviewed, June 2004).

On the other hand, the (interview, April 2004) with Pampallis revealed a slightly different opinion. According to Pampallis (interviewed, April 2004), the state could not adequately provide for education and hence the families which could afford it had to pay fees so that the financial burden on the state could be reduced. Pampallis (interviewed, April 2004) argues that the development of SASA coincided with an international trend of decentralised management by results and accountability and that this process highlighted the balance of power rather than influence from neo-liberal policies.

In Crouch's opinion as (interviewed, May 2004) the first financial option would have been slow in redressing the disparities caused by apartheid, the second option would have effectively redressed the disparities caused by apartheid but was not popular

¹⁰ Reg Brijaj was the Vice President of the South African Democratic Teachers Union and represented them on school governance reorganization for a.

¹¹ Pandey Pillay was a researcher on education policy at the Research Triangle Institute

with the public. The third governance option would not have addressed disparities inherited by apartheid because only non-personnel costs could have been tackled under the equity weighted funding. The fourth option appeared most favourable and differed from the second one in that it made it mandatory for the parents who could afford it to pay mutually agreed fees. As such, the fourth option was adopted. The fourth option in Pampallis's opinion(interviewed, April 2004) was the most suitable based on the existing fiscal constraints and the fact that greater equity was needed as the country set on the route to redressing ills inherited from apartheid. It can therefore be assumed that the need for tight fiscal discipline played some role in ensuring that the ANC shifted position from free and compulsory education to one that advocated for obligatory payments as the parents could afford as formulated in SASA. Perry (interview, April 2004) noted that the decision about payment of school fees was not a popular political one and was prompted by the ANC policy stating that 'free education' could not be achieved due to fiscal constraints. It is important to take note of the fact that this announcement coincided with the proclamation of GEAR as an official ANC policy.

It would, however, be important to explain why GEAR was connected by many to the ANC's inability to provide free education. This could be explained by the fact that GEAR's introduction in 1997 coincided with the policy change by the South African government. Interviews, however, confirm that this was purely coincidental as both processes were simultaneous. On the other hand, Chisholm (1997), pointed out that the education policy echoed the neo-liberal market views that were at that time emerging globally. These neo-liberal views were more in support of market-oriented strategies than state-centred models for development (Chisholm, 1997). Subsequently, Chisholm (1997) argues that the impact of budgetary constraints on departmental operations amounted to reduction in deployment levels and resource allocation, thus forcing the multi-stakeholders to negotiate with a view to establishing common ground in redistribution, democratisation, reconstruction and stability.

Nicolaou (2001) observed that the opinion that macro-economic policies affect education policies traced changes in the political economy from the origins of the Reconstruction and Development Programme (RDP) through to the introduction of GEAR and the Medium Term Expenditure Framework (MTEF), arguing that these

policies determined the specific role the state could play in provision of goods and services. Based on this theory it is not surprising then that, despite the fact that Nzimande was quick to dismiss the effect of GEAR on the formulation of SASA in an occasional paper, he nonetheless cautiously pointed out that the effect of neo-liberalism in a global economy could not be underestimated (Nzimande, 2005). Nzimande (2005) suggested that the ANC needed to critically evaluate the interpretation of its policies and the influence of integration of policy from other parties. In their argument, the fact that GNU desisted from ruling out the issue of payment of fees and single medium schools could be viewed as a political imperative in a context of negotiation.

It can therefore be stated that the introduction of the financial provisions in SASA was influenced by two forces in the ANC, namely those who sought to ensure that the education budget did not expand unsustainably and cause further borrowing which the South African economy could not afford, and those who saw no other way than expansion, cost cutting and donor funding. According to Chisholm (1997) the inception of financial provision was shaped by a sense of constraint and austerity.

4.4.4 Governance Structure and Section 247 of the Interim Constitution-Preservation of the Status

Governance and funding are co-players in the policy formulation process. It is therefore not surprising that Buckland(interviewed, June 2004) argued that the proposed governance structure for the funding programme provided a framework for unequal funding since the schools could opt for autonomy based on demonstrated capacity to survive without public funding. This, according to Buckland (interview, June 2004), implied that differential funding was a necessity for the governance of funds to become sustainable.

In consideration of the argument advanced by Buckland (interviewed, June 2004), it is therefore understandable that Crouch's idea of per capita funding for schools could increase disparities, given that some of the school governance bodies lacked capacity. According to Crouch(interviewed, May 2004), the governance options available during this time were the strong and equal school based decentralisation,

negotiated and differential decentralisation to school level under provincial support, and centralised provincial administration along the South African lines.

Coombe (interviews, April 2004) revealed that the governance provisions in SASA were influenced by negotiated settlements with the former model C schools as a result of Section 247. These negotiations aimed at reassuring (predominantly) white parents and teachers that no major alterations would be instituted without their involvement. The same sentiments were echoed by Nzimande (interviewed, June 2004) it was pointed out that there was a strong resistance by the formerly white schools due to their determination to remain exclusive without becoming racial, a view supported by Perry (Interviewed, April 2004) who observed that "...the apartheid education renewal strategy was a powerful force in retaining white privileges". Crouch (interviewed, May 2004) identifies the advantage of school fees as being that this would prevent random and uncontrolled transfer from public to private schools, while not sacrificing a vision of an ideal system whereby the state could support all public schools.

Pampallis¹² (interviewed, April 2004) observed, however, that the development of SASA coincided with an international trend of decentralised management by results and accountability and that this process highlighted the balance of power rather than any influence from neo-liberal policies.

4.4.5 Summary of Findings

In conclusion to this section, the themes as presented reflect that the context under which policy process unfolded was dictated by a commitment equity and redress, constraints in fiscal environment, protection of the status quo through the use of section 247 of the interim constitution, the need to keep the middle class in public schooling, free education and preservation of the status quo including the context of a negotiated settlement.

¹² John Pampallis was part of the research team that participated in the education and training policy development for the democratic movement and was also a member of the Hunter's Committee.

CHAPTER FIVE

DISCUSSIONS

5.1 Overview

The study undertook an assessment of policy formulation processes and factors that shaped education financial financing options in post-apartheid South Africa. The period in focus is 1991 to 2000. The specific policy questions that the study undertook to answer were:

1. What were the key considerations that influenced the development of the financial provisions in SASA?;
2. What were the positions postulated, and dynamics in the development process of SASA?;
3. What were the forces behind the Act and policy formation process?
4. Why is there such a policy in the context of post-apartheid South Africa?
5. What were the challenges and benefits of implementation of SASA?.

In an attempt to answer these questions, various themes emerged. These include equity and redress, constraints in fiscal environment, protection of the status quo through the use of Section 247 of the interim constitution, the need to keep the middle class in public schooling, free education, and preservation of the status quo. These are discussed in detail below.

The analysis of data will be divided into five main themes focusing on addressing the research questions:

- (a) Equity and redress
- (b) Constrained fiscal environment
- (c) Protection of the status quo using Section 247
- (d) Decentralisation and governance
- (e) A negotiated Transition

5.2 Equity and Redress

The main players in the theatre of policy were identified in earlier chapters as the ANC and allies on one hand and the NP and allies on the other hand. These parties were guided by opposing policies that could be divided in two periods, namely the apartheid period and the post-1994 period.

During apartheid the NP and allies supported exclusivist and segregationist education policies, which culminated in the 'Bantu Education Act' and 'Extension of University Education Act' (Collins and Gillepsie, 1984). The ANC, on the other hand, fought for equal opportunities for all as espoused by the adoption of the Freedom Charter and policy papers during this period. In the post-apartheid period the NP and allies reintroduced exclusivity and tried to protect white privilege by first reclassifying the previously white-only schools into models A, B and C Regulations and in its Educational Renewal Strategy (ERS) and supporting market-based education policy whereby parents would choose schools based on levels of affordability (Sayed, 1999). The ANC supported the right to education and training for all and promoted free and compulsory education (ANC, 1995).

When the ANC got into power it set in motion a series of policy actions which culminated in the enactment of SASA in 1996. The main aim of SASA was to redress past inequalities and transform the schooling system to a realisation of greater equity (Karlson *et al*, 2001). It was hoped that balancing educational spending between the two economic divides of the populations and provincialisation of the budget would enhance equity and redress. It is thus not surprising that this opinion is confirmed in interviews, 2004) with Coombe, Crouch, Pampallis, Brijraj and Pillay.

It is no wonder then that equity and redress in staff allocations, voluntary severance packages, and school funding norms became central themes in the implementation of SASA, as explained by Perry (interviewed, April 2004), who noted that "the voluntary severance packages was one issue which was seen as a way of bringing

change” and explained how desperate the new government was in efforts to achieve redress and equity.

At the same time the enactment of the Gauteng Education Bills and the generic bills further underlined this in their attempt to link registration and public funding to widening access to educational facilities and elimination of discrimination. On the other hand the actions by the Western Cape Education Department indicated the determination of the NP and allies to maintain exclusion policies and protect white privilege through centralised control of schools, restoring to school governing bodies (SGBs) the right to determine language and religious policy in schools (Western Cape Bill, 1997, Sections 52, 53), operate ‘model C’ schools, retain SGBs constituted during apartheid (Western Cape Bill, 1997, Section 26.1) and omit certain sections of SASA.

5.3 Constrained Fiscal Environment

All respondents confirmed in the interviews that the period of development of SASA and associated policies coincided with the need for tight fiscal discipline in South Africa. This was associated with slowed economic growth. Pampallis (2004) explained that “ ...the government could not provide adequately for education ... there was no money...”, a view supported by a low rate of economic growth which averaged 2.8 per cent from 1994 to 1998 (Loots, 2001).

The need for tight fiscal discipline played a strong role in ensuring that the ANC shifted position from free and compulsory education to one that advocated for obligatory payments where the parents could afford these as formulated in the SASA. In an (interview, April 2004) Perry noted that the decision about payment of school fees was not a popular political one and coincided with the proclamation of GEAR as an official ANC policy.

It would be important to explain why GEAR was tied by many to ANC’s inability to provide free education. This could be explained by the fact that GEAR’s introduction in 1997 coincided with the policy change by the South African government. Interviews confirm that this was purely coincidental as these were parallel processes.

Chisholm (1997) advocates the view that the education policy echoed the neo-liberal market views that were at that time emerging globally and supported market-oriented strategies rather than state-centred models for development. In a later paper, Chisholm (1998) argues that the impact of budgetary constraints on departmental operations amounted to a reduction in deployment levels and resource allocation, forcing the multi-actors to negotiate with a view to establishing common grounds in redistribution, democratisation, reconstruction and stability.

5.4 Protection of the Status Quo using Section 247

Governance in schools was shaped by the adoption of the interim constitution, and later the Constitution of South Africa and SASA. In the words of Karlsson *et al.*, (2001), SASA represented a real shift in power and responsibility from the apartheid era level to a new point. Coombe (interviewed, April 2004), highlighted a radical shift in the South African House of Assembly in 1991 with the reclassification of schools and a new drive to privatise education. This, according to Coombe (interviewed, April 1994), was a good example of the outgoing government trying to protect its interests from potential changes foreseen with the coming of new government.

Another aspect of protection of the status quo came with the ANC's determination to prevent flight from the public schools to private schools as a result of changes to the education policy, as expressed in interviews, June 2004) with Brijraj, Pillay, Nzimande and Crouch(interviewed, May 2004) who acknowledged that the introduction of the financial provision in SASA was a compromise to avoid this.

It should be remembered that Section 247 of the interim constitution was also used to maintain the status quo. Coombe, Perry, Brijraj, Nzimande and Pillay (interviewed, 2004) indicated that Sections 32 and 247 were used to protect historical privileges. Section 32 provided for the right to basic education, equal access, choice of language of instruction where practicable, and establishment of common culture and common religion schools provided there was no discrimination. Section 247 stated that any change in these provisions could only be achieved via bona fide negotiations. This was specifically underlined by the NP's attempts to object to the

downgrading of parental and community power by SASA which deferred some power to the Minister of Education to step in where necessary. Attempts to rein in schools which refused to undertake transformation under the guise of Section 247 resulted in enactment of the Gauteng Schools Education Bills (and other generic bills in the provincial chambers) which tied funding and registration to transformation.

Nicolaou (2001) and Makathini (2002) while supporting the opinion that macro-economic policies affected education policies, trace changes in the political economy from the origins of the Reconstruction and Development Programme (RDP) through to the introduction of GEAR and the Medium Term Expenditure Framework (MTEF), arguing that these policies determined the specific role the state could play in provision of goods and services. Based on this theory it is not surprising then that despite the fact that Nzimande (interviewed, June 2004) was quick to dismiss the effect of GEAR on the formulation of SASA in an occasional paper, he cautiously pointed out that the effect of neo-liberalism in a global economy could not be underestimated (Nzimande and Mathieson, 2004). In the opinion of Nzimande and Mathieson (2004) the ANC needs to critically evaluate the interpretation of its policies and the influence of integration of policy from other parties. In their argument, the fact that the GNU desisted from ruling out the issue of payment of fees as well as single medium schools could be viewed as political imperatives in a context of negotiation.

It can therefore be stated that the introduction of the financial provisions in SASA was influenced by two forces in the ANC, there were those who sought to ensure that the education budget did not expand unsustainably and cause further borrowing which the South African economy could not afford and those who see no other way than expansion, cost cutting and donor funding. In the opinion of Chisholm (2004) the introduction of financial provision was shaped by a sense of constraint and austerity.

5.5 Decentralisation and Governance

The ANC and allies on one hand and the NP and allies on the other hand reportedly adopted the idea of decentralisation late (Karlsson, 2002). Karlsson *et. al* (2001)

holds the opinion that for the ANC and its allies the allure of equitable distribution of resources provided enough motivation for decentralisation whereas for the NP and allies, a decentralised system with Model C approach presented the chance to maintain the status quo (Karlsson *et al.*, 2001). This is confirmed by Buckland (interviewed, June 2004) where he says that the proposed governance structure could allow schools to eventually opt for full autonomy based on demonstrated capacity to be self-funding.

It is therefore not surprising that both Karlsson *et al.*, (2001) and Lewis and Naidoo (2004) blame the slow progress in equity and redress on decentralisation. In their view the school governance policy which promotes broader participation by parents in educational structures at local level implied that the government had abdicated its role and that this did not authentically empower school communities. This view is, however, dismissed by Fiske and Ladd (2002) who argue that marked progress has been made towards a fairer distribution of public funds and equitable staff and resources allocations.

5.6 A Negotiated Transition

Chapter four indicated that all the respondents interviewed believed that the introduction of free education would have led to a mass exodus of the middle class from public schools. Indeed, Buckland (interviewed, June 2004) uses the term “Latin American Syndrome” to describe the feared exodus of the middle class from public schools to private schools following their eventual deterioration in case they were not allowed to levy fees. It can be argued that this view was promoted by policy experts because of the prevailing tight fiscal environment which was exacerbated by poor growth of 2.8 per cent, as reported by Loots (2001).

Considering that the main tenet of the ANC’s policy was for a long time based on its belief in the right to education and training for all as an avenue to equitable distribution of resources (ANC, 1995) it was painful for the party to inform supporters in 1997 that free education was no longer tenable. Inasmuch as policy analysts would invoke the argument that the fiscal environment was unfavourable (as seen in

the interviews reported in chapter four) this was an indictment of failure of the ANC's agenda. Pampallis (2002) captures clearly in his report that even with the enactment of SFN many families could not afford fees set as low as R30 to R50. While admitting that exclusion of students for non-payment of fees is illegal in South Africa, Pampallis (2002) points out that poor schools are in effect forced to collect school fees and resist applications for exemptions especially when parents who pay fees apply additional pressure.

Having inherited the disparities from apartheid era the new government embarked on a programme guided by the need for equity, redress as well as healthy fiscal policies. In pursuit of these aims, several policies were formulated and implemented, including the first White Paper on Education, the second White Paper on Education, SASA and the SFN.

Documentary analysis and interviews with key informants reveal that the main debates defining policy formulation were the ANC's commitment to free and compulsory education versus the need to keep the middle class in the public schooling system, ways of achieving equity and redress in the face of a falling economy and the need for tight fiscal discipline, resistance to change with an intention to maintain the status quo versus the need to improve access to quality education to the previously excluded groups, and the competing interests in the quest for decentralisation.

Government chose the middle way by selecting a financial option that allowed for the underprivileged to enjoy free education while also making sure that the parents who could afford it paid obligatory fees. This was adopted via the SFN and the introduction of financial provisions in SASA.

5.7 Conclusion

The interviews effectively dismiss the notion that GEAR influenced the enactment of SASA and related policies. In effect it is realised that the developments of SASA and GEAR were both independent. As such SASA was a negotiated process influenced

by a combination of the need for compromise position, redress and equity, fiscal discipline and the desire to keep the middle class in the public school system.

The situation in South Africa needs to be viewed from a perspective of a recession economy or inherited economy fostering a realistic budget that is incompatible with the economic agenda together with the preservation of interests from the negotiating parties involved.

Soobrayan (1995) argues that the involvement of the World Bank and International Monetary Fund is surrounded by controversy prompting many people in South Africa to express strong reservations about motives and policies of these institutions. Constraints in respect of financial and technical capacity which encumbered the transition project in education in South Africa provide compelling motivation for soliciting the assistance of international agencies.

CHAPTER SIX

CONCLUSIONS AND RECOMMENDATIONS

6.1 Overview

The objective of the research is to examine the nature of the forces that have given shape to education financial provisions and explore the validity of the claim that the Growth, Employment and Redistribution Strategy influenced the policy making process of the educational financial provisions of the South African Schools Act (SASA) and the process of development of the financial provisions.

The purpose of this research is to understand key issues that helped to shape education policies in post-apartheid South Africa and to examine factors that affected the policy transformation process.

The research attempted to find solutions to the following key questions:

1. What are the circumstances that led to the introduction of education financial provisions in South African Schools Act (SASA)?
2. To what extent were the circumstances surrounding the introduction of education financial provisions in SASA a challenge in the implementation?

Out of the five key categories identified in this piece of research, namely:

1. Equity and Redress
2. Constrained Fiscal Environment
3. Protection of the Status Quo using Section 247
4. Decentralisation and Governance
5. A negotiated settlement

There are three critical emerging themes but also interlinked categories/themes identified from the 5 themes previously identified. The final chapter deals with the main conclusions that emanate from the research and presents recommendations regarding the identified issues that can help to enhance policy development in South Africa.

- Equity and Redress
- Fiscal Environment and or contextual circumstances
- Balance of Forces in the policy development process

6.2 Conclusion

6.2.1 Equity and Redress

Emanating from the findings from this research, the above is the most challenging area to provide for transparent policy development in South Africa. The best approach to overcome this challenge is to redress the inequality which was cultivated by the apartheid administration and to promote an effective facilitative role in order to strive for the full potential of all actors in policy development.

6.2.2 Constrained Fiscal Environment

The notion that GEAR influenced the enactment and related policies is dismissed by all interviewees and documents respectively. In effect it is realised that the developments of SASA and GEAR were both independent. As such SASA was a negotiated process influenced by a combination of the need for compromised position, redress and equity, fiscal discipline and the desire to keep the middle class in public school system. The introduction of the financial provisions in the South African Schools Act must therefore be understood and interpreted in the context of constraint and austerity.

6.2.3 Protection of the Status Quo

During the policy process sections 32 and 247 of the interim constitution were also used to maintain the status quo thereby protecting historical privileges as corroborated by the respondents and therefore viewed as a real shift in power and responsibility from the apartheid era level to a new point where the National party as an outgoing government was trying to protect its interests from potential changes foreseen with the coming of new government and also evident in the ANC's determination to ensure that there were no flights from the public schools to private schools due to change in education policy and hence the introduction of the financial provisions in SASA.

As previously outlined that Section 32 specifically provided for the right to basic education, equal access, choice of language of instruction where practicable, and establishment of common culture and common religion schools provided there was no discrimination. Section 247 specifically stated that any change in these provisions could only be achieved via bona fide negotiations. This was specifically underlined by the NP's attempts to object to the downgrading of parental and community power by SASA which deferred some power to the minister of education to step in where necessary. Attempts to rein in on schools which refused to undertake transformation under the guise of section 247 resulted to enactments of the Gauteng Schools Education Bills (and other generic bills in the provincial chambers) which tied funding and registration to transformation.

6.2.4 Decentralisation and Governance

It is the opinion of the National Education Policy Investigation (NEPI) that decentralization was used for political reasons and not for better and effective policies during the apartheid period. The major disadvantage for this kind of approach is that it created a situation where policy formulation was fragmented. Decentralization was used to fragment the system into ethnic and racial groupings as opposed to democratization. This approach that was used before 1994 implies that policy should be developed in a uniform manner.

Finally, one might argue that the circumstances during the formulation of SASA do not support the notion that its ideologies have implications for policy development in South Africa. The claim proves to be incorrect since the emerging view based on interviews conducted and documents analysis does not support the claim that Macro-Economic Policies had an influence or an impact in the process of drafting financial provisions within the South African Schools Act but is more of a contextualized problem which reflected the balance of power rather than the neo-liberal policy influence. It must be understood within this context as a process shaped by fiscal constraints and an urge to achieve equity, access and redress.

6.2.5 A negotiated Settlement/Transition

It was also confirmed by respondents that to a certain extent the introduction of the financial provisions in SASA was a compromise to avoid fleeing of the middle class from public schools. Reality was that Free education was not possible as a result of fiscal constraints noting the nature of the fiscal environment with insufficient funds consistent with the political agenda.

6.3 Recommendations

Emanating from these observations and the analysis, it is imperative to consider the following recommendations for future study.

6.3.1 Improving Policy Making Processes

Policies are supposed to yield a change in an existing state of affairs. In order for a change to occur these policies must be implemented properly to bring about the desired or intended outcomes. Further study could be undertaken on how these policies could best be improved to achieve the intended outcomes. In terms of my conclusion the education policy discourse is an area that requires in-depth exploration specific to stringent time frames of all committees that existed during the policy process whilst understanding fiscal constraints that existed and how careful

consideration may be critical for future policy making and its effect on the policy implementation process.

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APPENDICES

APPENDIX A: QUESTIONS FOR IN-DEPTH INTERVIEWS WITH THE WITS-EPU AND WITS-CEPT OFFICIALS

A. What were the key considerations that influenced the development of the financial provisions in South Africa Schools Act (SASA)?

1. Who were the actors in the development of the financial provisions in SASA?
2. What were the different positions and dynamics in the process?
3. What process was followed?
4. When and where did this take place? (Under which social circles?)
5. How and why were the processes influenced and what forces influenced the process?
6. What mechanism was used for funding?
7. What is your understanding of the different documents used in the process and how did they evolve?
8. What were the different positions in the documents, if any?

B. Who were the social actors and what were the positions postulated, and dynamics in the development process of SASA? What was the nature of forces and complexities that gave shape to the financial provisions of the SASA?

1. What influence did the White Paper have on education financial provision?
2. What policy options were available, if any? What influenced the decision to take the direction it took? Why the chosen option? Were there any compromises in the process, if yes what were they?
3. What were the positions with regard to school fees?
4. Are there any other debates, you can recall? If any, Briefly allude to them.
5. What was the final decision? What role did the Education Minister Bengu play?

APPENDIX B: QUESTIONS FOR IN-DEPTH INTERVIEWS WITH THE DEPARTMENT OF EDUCATION OFFICIALS

A. What were the key considerations that influenced the development of the financial provisions in South Africa Schools Act (SASA)?

1. Who were the actors in the development of the financial provisions in SASA?
2. What were the different positions and dynamics in the process?
3. What process was followed?
4. When and where did this take place? (Under which social circles?)
5. How and why were the processes influenced and what forces influenced the process?
6. What mechanism was used for funding?
7. What is your understanding of the different documents used in the process and how did they evolve?
8. What were the different positions in the documents, if any?

B. Who were the social actors and what were the positions postulated, and dynamics in the development process of SASA? What was the nature of forces and complexities that gave shape to the financial provisions of the SASA?

1. What influence did the White Paper have on education financial provision?
2. What policy options were available, if any? What influenced the decision to take the direction it took? Why the chosen option? Were there any compromises in the process, if yes what were they?
3. What were the positions with regard to school fees?
4. Are there any other debates, you can recall? If any, Briefly allude to them.
5. What was the final decision? What role did the Education Minister Bengu play?

APPENDIX C: QUESTIONS FOR IN-DEPTH INTERVIEWS WITH THE DEPARTMENT OF FINANCE OFFICIALS

A. What were the key considerations that influenced the development of the financial provisions in South Africa Schools Act (SASA)?

1. Who were the actors in the development of the financial provisions in SASA?
2. What were the different positions and dynamics in the process?
3. What process was followed?
4. When and where did this take place? (Under which social circles?)
5. How and why were the processes influenced and what forces influenced the process?
6. What mechanism was used for funding?
7. What is your understanding of the different documents used in the process and how did they evolve?
8. What were the different positions in the documents, if any?

B. Who were the social actors and what were the positions postulated, and dynamics in the development process of SASA? What was the nature of forces and complexities that gave shape to the financial provisions of the SASA?

1. What influence did the White Paper have on education financial provision?
2. What policy options were available, if any? What influenced the decision to take the direction it took? Why the chosen option? Were there any compromises in the process, if yes what were they?
3. What were the positions with regard to school fees?
4. Are there any other debates, you can recall? If any, Briefly allude to them.
5. What was the final decision? What role did the Education Minister Bengu play?

**APPENDIX D: QUESTIONS FOR IN-DEPTH INTERVIEWS WITH THE SOUTH
AFRICAN COMMUNIST PARTY (SACP) AND AFRICAN NATIONAL CONGRESS
(ANC) OFFICIALS**

A. What were the key considerations that influenced the development of the financial provisions in South Africa Schools Act (SASA)?

1. Who were the actors in the development of the financial provisions in SASA?
2. What were the different positions and dynamics in the process?
3. What process was followed?
4. When and where did this take place? (Under which social circles?)
5. How and why were the processes influenced and what forces influenced the process?
6. What mechanism was used for funding?
7. What is your understanding of the different documents used in the process and how did they evolve?
8. What were the different positions in the documents, if any?

B. Who were the social actors and what were the positions postulated, and dynamics in the development process of SASA? What was the nature of forces and complexities that gave shape to the financial provisions of the SASA?

1. What influence did the White Paper have on education financial provision?
2. What policy options were available, if any? What influenced the decision to take the direction it took? Why the chosen option? Were there any compromises in the process, if yes what were they?
3. What were the positions with regard to school fees?
4. Are there any other debates, you can recall? If any, Briefly allude to them.
5. What was the final decision? What role did the Education Minister Bengu play?

APPENDIX E: QUESTIONS FOR IN-DEPTH INTERVIEWS WITH THE TRADE UNIONIST, POLICY ANALYST AND WOLRD BANK OFFICIALS

A. What were the key considerations that influenced the development of the financial provisions in South Africa Schools Act (SASA)?

1. Who were the actors in the development of the financial provisions in SASA?
2. What were the different positions and dynamics in the process?
3. What process was followed?
4. When and where did this take place? (Under which social circles?)
5. How and why were the processes influenced and what forces influenced the process?
6. What mechanism was used for funding?
7. What is your understanding of the different documents used in the process and how did they evolve?
8. What were the different positions in the documents, if any?

B. Who were the social actors and what were the positions postulated, and dynamics in the development process of SASA? What was the nature of forces and complexities that gave shape to the financial provisions of the SASA?

1. What influence did the White Paper have on education financial provision?
2. What policy options were available, if any? What influenced the decision to take the direction it took? Why the chosen option? Were there any compromises in the process, if yes what were they?
3. What were the positions with regard to school fees?
4. Are there any other debates, you can recall? If any, Briefly allude to them.

What was the final decision? What role did the Education Minister Bhengu play?

ⁱ **Mr. Luis Crouch** was a technical adviser to the department of Education from late 1995 to mid 1996 on a sort term basis and again from August 1998 to August 2002. He was seconded as a consultant to the national Department of education, Pretoria and the education foundation of Durban and Johannesburg, from the Research Institute, North Carolina, USA.