

# More, better, different? Understanding private higher education in South Africa

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GLEND A KRUSS



*GLEND A KRUSS is Chief Research Specialist in the research programme on Human Resources Development at the HSRC, and Associate Professor in the Faculty of Education at the University of the Western Cape. She has researched and published widely on education policy, diversity and higher education.*



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## Abstract

*The paper draws on the concepts used to analyse the private sector in developing countries in the 1980s, to interrogate data from a qualitative study of 15 private higher education institutions in South Africa. It argues that the majority of private providers meet a demand for 'different' education, which in the South African case takes the form of specialised provision of vocational higher training in niche areas at the intermediate level, aiming to extend access to job opportunities. A small but influential sub-sector meets a demand for 'better' education, which takes the form of exclusive, high-status, university-like provision oriented to global mobility. A minority of providers display elements of responding to a demand for 'more' education, extending access to those excluded from public provision by lack of educational qualifications or finances. This lays the basis for a more nuanced engagement with the private sector.*

## Introduction

Privatisation and marketisation are twin features of the current global education scenario, with the state increasingly reducing its provision of higher education in many countries (Kwong, 2000). The World Bank (1994) has encouraged the expansion of private higher education in developing countries, in the face of reduced education budgets and economic constraints. Altbach (1999, 1) has claimed that private higher education is "one of the most dynamic and fastest-growing segments of post-secondary education at the turn of the 21<sup>st</sup> century". South Africa, too, has seen the rapid growth of private higher education provision since the 1990s.

This article attempts to illuminate the private higher education sector in South Africa, drawing on the concepts used to analyse the sector in other developing countries in the 1980s and to interrogate data from a qualitative study of current provision. On this empirical and analytical basis, a series of ideal types of private provision has been developed in order to place

conceptual order on the field and begin to understand the dynamics shaping the private sub-sectors identified.

## Convergence and differentiation

A first conceptual distinction was identified from a reading of the international comparative literature that has developed distinguishing criteria used to compare public and private institutions and to categorise private sub-sectors. The work of Levy (1986a) and Geiger (1986) has been influential in this regard. While Geiger has delineated structural patterns, Levy has based his work on three differentiating dimensions used for analysis in a range of contexts, but developed on the basis of his work in Latin America. Typically, the dimension of *funding* examines the not-for-profit nature of institutions, the balance of public or private finance, and the sources of funding. The dimension of *governance* considers the relationship to the state, ownership and internal control. *Function* is the dimension least easy to define, but typically covers mission and identity, the socio-economic target group, the values promoted and quality issues.

These three dimensions, developed out of empirical studies conducted in the 1980s, have been appropriated to shape analysis of private sectors in different contexts (Levy, 1987; Marginson, 1997). Studies typically research and analyse along one or perhaps two of these dimensions (Levy, 1986b; Franco, 1991). All three dimensions were adopted as analytical devices to guide systematic data gathering and analysis in the present study. In adapting these conceptual distinctions for the South African context, it became apparent that the dimension of function distinguishes most strongly between different types of private provision, and this was emphasised accordingly.

A second conceptual distinction appropriated from the international literature was based on the type of demand to which private provision is said to respond; this is a central feature of the dimension of function. Explanations for the emergence and growth of private higher education in different contexts have typically been summarised in terms of a demand for 'different', 'better' or 'more' education (James, 1991; Levy, 1992). A demand for 'more' education typically is said to operate when private providers absorb excess demand that public providers cannot satisfy (see for example De Mello E Souza, 1991; Yee & Ghee, 1995). There is also a demand for 'better' education, where private institutions are seen to provide for an elite demand in the face of a failure of public institutions (see for example Pike, 1991). The demand for 'different' education arises when private providers meet specific demands, typically religious or cultural.

A third useful analytical distinction appropriated from the literature is the concept of isomorphism, typically used to illuminate the processes that lead to similarities between organisations or institutional forms (Levy, 1999). For present purposes, the concept was read loosely, to caution that analysis should not focus solely on differentiation, but that we need to understand complex simultaneous patterns of convergence or uniformity as well as differentiation. Thus, in trying to develop a conceptually informed description of the private sector in South Africa, it was important to engage with empirical data not only to analyse where there is diversity, but also where there is convergence. What is most interesting is the lines of cleavage that become evident despite a great deal of similarity in form and function between institutions.

An analytical framework was developed that explored convergence and differentiation between institutions, on all three dimensions of function, funding and governance but with an emphasis on the dimension of function, specifically using the concepts relating to different types of demand.

In what follows, this framework will be used to present the empirical data gathered, in an attempt to illuminate private higher education provision in South Africa at the turn of the millennium, in a rapidly shifting national and international higher education context, and in a sector that is rapidly changing its forms. Bearing in mind that these conceptual distinctions were developed in very different contexts in the early to mid 1980s, their usefulness and veracity were kept as an open question.

## The empirical study

The empirical study provided in-depth, micro-level qualitative data on the current organisation, practices and functioning of 15 private higher education providers.<sup>3</sup> A legislative definition was used to provide the boundaries for selection of the cases. That is, 15 cases were selected from the 110 private higher education institutions that are formally registered and accredited by the Department of Education and the Council on Higher Education.<sup>4</sup> Table 1 summarises key features of the 15 cases.<sup>5</sup>

Kraak (2001) initially identified four 'types' of private providers, based on the quantitative data available in the public domain at that point in time (Mabizela, Subotzky & Thaver, 2000). Following Schofield (1993), to enhance generalisability, the multiple sites were purposively selected to exemplify the relative size and significance of each of these 'types' in the sector. Transnational institutions are foreign institutions operating in South Africa (3 institutions). Franchising colleges act as tuition centres for distance public providers (4 institutions). Technical/Vocational education and training institutions (TVET) predominantly provide education and training aimed at a specific niche market (6 institutions). Lastly the emergent trend of corporate classrooms, lifelong learning centres developed by large companies to train their own staff, was included (2 institutions). These initial categories of selection will be used throughout the paper to distinguish groupings of institutions.

A battery of instruments was developed to conduct individual and focus group interviews, observation, document collection and a survey, triangulating a number of sources at each private provider, namely facilities, institutional data, documents, management, staff and students. Private institutions required, and were assured of, total confidentiality and anonymity, which is preserved in this paper by reporting patterns, trends and instances.

## The dimension of function

### Origins and history

An examination of the origins and history of the cases in the study revealed trends that cannot be described within the confines of this paper without danger of caricature. Institutions selected as transnationals and franchising colleges were predominantly established in the early to mid 1990s, in the context of political and academic change in the public higher education sector. Many were established by entrepreneurial local academics who sought partners to offer private

<sup>3</sup> The empirical study was funded by the Ford Foundation, and conducted by the HSRC between September and November 2001. The contribution of the 15 private higher education institutions is gratefully acknowledged.

<sup>4</sup> In a few cases, institutions that have not completed the registration process were included, in one case as a very new institution of an emerging type that has subsequently been registered, in another case an established institution experiencing difficulties with the accreditation process.

<sup>5</sup> In light of the analysis, some institutions initially selected as franchising colleges were recategorised to the TVET category.

higher education. In the case of the franchising colleges, these partners were local public universities, particularly the distance provider, the University of South Africa (UNISA). For the transnationals, these were international partners, particularly from Australia and the United Kingdom, themselves seeking new markets for their programmes (Bennell & Pearce, 1998). Many more British universities attempted to establish partnerships in South Africa but withdrew from the registration process as a tighter regulatory framework began to be implemented after 1998.

Many of the TVETs and some corporate classrooms were established in an earlier period, particularly in the 1970s, in response to the skills reforms of Wiehahn (1982) and Riekert (RSA, 1979). In this period of the 1990s, with new discourses of globalisation and a knowledge economy, these institutions adapted and repositioned themselves in relation to a new policy framework and new niche markets accompanying economic changes. Others were established more recently to offer vocational and professional education in new occupational fields in the growing services sector (TVETs), or to offer 'lifelong learning' for existing employees (corporate classrooms).

Thus, from examination of the origins of institutions, it became evident that there were different impulses of demand leading to the establishment of private higher education providers. An attempt was made to examine whether this difference was evident in other aspects of their function.

### Vision and values

An examination of the vision and values of the institutions initially selected as transnationals and franchising colleges revealed a great deal of convergence. These institutions tend to offer high status, university-like degree courses, and many of them aspire to the status of universities. Their programmes are offered in a limited range of relatively low-cost professional fields, particularly business and management. In their vision and mission statements they appeal to common core values. Significantly, they appeal to academic quality. High quality higher education is often directly linked in their promotional literature to small class size and personal attention. Very importantly, the institutions extend the promise of international recognition of their qualifications, utilising the lure of international mobility – attractive to those previously advantaged. A third set of values promoted is the promise to offer a secure, safe environment, posed directly or indirectly in contradistinction to the public sector. A fourth set of values stressed is that these providers aim to prepare young people for a professional career and to prepare them more directly for the workplace than they perceive the public sector to be doing. Directly linked to this is a fifth set of values around the notion of flexibility. Institutions emphasise that their mode of provision is flexible and efficient, offered at a time that suits the individual's work and family commitments, often with flexible entry requirements and a degree of recognition of prior learning, and in a way that can contribute directly to their employer/organisation.

There are differences between the transnational institutions and the franchising colleges that lie in the relative emphasis and priority they place on certain values. The transnationals, for instance, emphasise international portability more strongly while franchising colleges emphasise issues of security. Nevertheless, the mission statements, promotional material and public face of the institutions reveal strong convergence around these five sets of values.

In contrast, the vision and values of the institutions initially selected as TVETs and corporate classrooms are quite different. These institutions offer programmes in a range of professional

and vocational fields, and offer certification at a range of levels, but primarily focus at levels 5 and 6 on the National Qualifications Framework (NQF). They do not aspire to be like universities, but place themselves firmly in the higher education band, as defined by the new policy framework and by legislation.

There is convergence between their vision and values. Most significantly, both stress the promise of direct preparation for the workplace; the other sets of values flow from and relate to this core value. A second set of values stress that institutions have a practical orientation, that they do not simply provide theory, but also provide a practical grounding and practical orientation. For instance, they stress that their educational methods prioritise real-time and workplace-based assignments. A third set of values centre on the claim that these providers aim to expand access to vocational or professional job markets, and often explicitly for those who were historically disadvantaged. This trend is echoed in a recent US study of the for-profit private higher education sector, that found the sector's emphasis on "career-oriented, hands-on and customer-focused programs, services and institutions appeals to new types of students" (Kelly, 2001, 5). While sharing core values, these providers may be distinguished from one another in terms of their primary orientation - religious, vocational, professional or corporate.

Despite evidence of differences between individual institutions, and between the four initial types categorised, there is broad convergence around two sets of core values. One set promotes education that is seen to be 'better' than that offered by public institutions, in quality and orientation, and the other set promotes a 'different' form of education and training that expands access to jobs, vocational and professional fields. The next section will analyse the student profile of the institutions, to ascertain the validity of this claim.

## Student profile

Total institution enrolment patterns are significant. Transnationals and franchising colleges tend to have larger student numbers (and hence a larger scale of operations) than the TVETs, which tend to have small student numbers (see Table 1).

A profile of students at each institution by age, gender and race was developed<sup>6</sup> and distribution patterns across the initial selection categories were traced in order to understand the demand to which institutions are responding.

There is a degree of convergence between all the private higher education institutions included in the study. Specifically, on the dimension of age, it was ascertained that all four types of institution were providing for school leavers *and* for mature working adults, with little clear differentiation.<sup>7</sup>

However, broad trends of differentiation were evident, particularly along the lines of historical advantage and disadvantage. The transnationals and franchising colleges tend to service an elite, particularly a white elite, but increasingly an emerging black elite. For instance, the students at one transnational institution were predominantly affluent young white school-leavers. They tended to come from well-educated families, many of these with a higher education, and were well-educated themselves, with 82 per cent of the students entering the institution directly from private schooling. Where such institutions have attracted sizeable groups of African students,

<sup>6</sup> Figures supplied by the institution were used as the basis, complemented by statistics gathered through a survey of all students in classes randomly selected from the timetable at each institution.

<sup>7</sup> The exception is the corporate classroom institutions that cater primarily for mature working adults.

Table 1: Sites, students, staff and ownership of 15 institutions in the study

Institution*	Sites	Enrolment in 2001	Academic staff	Ownership†
<b>EXCLUSIVE DEMAND</b>				
<b>Transnationals</b>				
TN1 (1992)	head office; 70% of teaching off-site	606 new PT	pool of 70 contract staff off-site	A
TN2 (1994)	main campus; 2 sites	497 FT UG; 335 PT PG	5 FT; 99 PT	A
TN3 (1996)	head office; 3 regional sites	167 new PT enrolments	pool of 50 contract staff off-site	A
<b>Franchising colleges</b>				
FC1 (1989)	main campus; business school	2620 FT; 557 PT	56 FT; 77 PT	A
FC2 (1991)	6 sites	970 UNISA, 2/3 PT	PT core staff	A
<b>SPECIALISED DEMAND</b>				
<b>Technical and vocational education and training institutions</b>				
FC3 (1950)	head office; 4 regional offices; 2 SADC; graduate school; 56 accredited tuition centres**	2698 FT; 4834 PT	256 lecturers across 37 South African tuition centres (majority PT contracts)	C
FC4 (1998)	main campus	1185 FT	5 FT; 50 PT voluntary; 17 FT facilitators	C
TVET1 (1951)	main campus	48 FT; 102 correspondence PT	4 FT; 6 PT	C
TVET2 (1893)	main campus	349 FT; 77 at Language School	20 FT; some support staff teach	C
TVET3 (1977)	2 sites	518 PT	30 PT; 4 managers also teach	A
TVET4 (1989)	head office; 48 sites nationally (2 of them franchises with 10 offering HET courses)	247 HET***	102 FT; 5 PT; 14 technical specialists	B
TVET5 (1994)	main campus	278 FT	3 FT; 3 directors; 18 permanent <i>ad hoc</i>	B
TVET6 (1980)	main campus; beauty salon	263 FT	7 FT; 22 PT	B
<b>Corporate classrooms</b>				
CC1 (1957)	main campus; off-site training sites	1100 PT employer-sponsored	13 FT; 25 PT facilitators	A
CC2 (2000)	head office; off-site training sites	40 PT	PT pool	B

\*: Figure in parentheses indicates founding year.

\*\* Data from 2000.

\*\*\*: 4% of total enrolment of 5840, with 84% FET

† A = for-profit publicly-listed company B = for-profit proprietary limited company C = not-for-profit Section 21 company

PT = part-time UG = under-graduate

FT = full-time PG = post-graduate

many have a relatively privileged educational background, having attended private schools or former Model C schools, and their families have relatively high post-school educational levels.

This profile contrasts strongly with that of the TVETs and corporate classrooms. To varying degrees, the profile of these institutions tends to reflect students who are gaining access to credentialing for the first time, with many students being the first person in their families to enter higher education. For instance, at one TVET all the students were African school-leavers, all came from a disadvantaged background, many rurally based, and 60 per cent were women.

One of the few studies of trends in private higher education has argued that a surprising 50 per cent of students in the sector are African (Subotzky, this issue). However, the empirical data in the present study suggests that other indicators need to be taken into account, and that a simplistic or superficial reading of race or gender can obfuscate more than it illuminates.

Thus, the type of school attended and the education level of the family were revealed as significant. Moreover, the qualitative data highlighted the significance of socio-economic status and the way class intersects with race. For instance, one transnational institution claimed a high percentage of 'previously disadvantaged individuals' in their student body, as a result of targeted strategies such as bursaries. However, most of these students were mature, practicing managers, upwardly mobile in their organisations, and part of a future management elite.

Equally significant was the intersection of race and citizenship. At one religious TVET, with a large international student body drawn from the denomination, there was a recent shift to a 61 per cent black student body. However, the majority of these students were Botswana citizens, sponsored by the Botswana government as part of a large-scale programme to meet its own demands for higher education in the face of a sector that lacks sufficient capacity.<sup>8</sup>

The study suggests that the socio-economic profile of students, their race, their citizenship, the quality of their education and the education level of the family are all significant indicators of patterns of enrolment, which inform understanding of the demand met by institutions. While there is a degree of convergence at the high end of the socio-economic scale, there is distinct differentiation between institutions that largely serve an (emergent) elite, that promote 'better' education, and those that primarily serve those who have been historically disadvantaged, that promote 'different' education.

### Student perceptions of demand

To deepen analysis of demand, students' perceptions of their choice to study at a private institution was examined. In a survey to which 1 222 students at 14<sup>9</sup> of the institutions responded, students were asked to rate the reasons that led them to choose to study at a private institution. Aggregated figures suggest that a globally-recognised qualification was the primary motivation, followed by issues of safety and security, an employment orientation and flexibility of provision. However, a breakdown of these figures by institution and by the four selection categories, and an interpretation with reference to qualitative data gathered in student focus group interviews at each institution, provides a different picture.

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<sup>8</sup> There were sizeable proportions of Botswana students in three of the 15 institutions in the study.

<sup>9</sup> One institution had been very recently established and had very few students, hence it was not possible to conduct a survey of their students.

The first notable point is that at some institutions students were totally unequivocal in their selection of reasons, but at others they were quite vague and unsure. At one TVET institution, for instance, where students rated their choice in a very lukewarm manner, many did not have matriculation exemption and many had applied and been rejected by public institutions. At another TVET institution, students articulated that they had no choice to study elsewhere and had chosen the institution because the fees were affordable.<sup>10</sup> It was thus evident that some students had stronger individual choice than others.

A second notable point is that students at a particular institution or particular type of institution grouped and prioritised their sets of reasons in different ways. There is a great deal of internal consistency between the institution's vision and mission and students' perceptions of their choice. At the transnational institutions, for instance, students tended to stress the importance of global recognition of the qualification. At the franchising colleges, this theme was tempered by a stronger concern for safety and security in the learning environment. In contrast, at TVETs and corporate classrooms, students prioritised reasons related to an employment orientation, claiming their choice was strongly motivated by the promise that the institution could provide them with job-oriented technical skills.

The patterns that emerged confirmed and deepened the emerging two-fold distinction between transnational institutions and franchising colleges on the one hand, and TVETs and corporate classrooms on the other.

### 'Better' and 'different' demand – and 'more'

Analysis of the data gathered from institutions in terms of the dimension of function – their origins and history, the vision and values promoted, the profile of students and student perceptions of their choice – leads to the identification of a strong two-fold distinction.

First, it became evident that the transnationals and the franchising colleges were established in response to a demand by an elite socio-economic group for 'better' education than that offered by public institutions. This trend is similar to those that characterise the emergence of much private higher education in Latin America (Levy, 1986a), but the demand here is rather for an education that will make graduates highly skilled and employable in the global arena. The attraction of international employability for the individual is prioritised over national development needs, hence the argument that the institution is primarily responding to an 'exclusive' demand.

Second, it became evident that TVETs and corporate classrooms were established in response to a demand for specialised niche market education and training, for 'different' education. The demand for 'different' education in the current South African context goes beyond the religious and cultural differences characterising Latin America and other developing countries (although it does include them), to a demand for a 'different' form of education and training to that offered by the public institutions – an education that will expand access to the labour market and new occupational sectors in South Africa.

This distinction poses two broad types of demand specific to South Africa in the current context, with individual institutions meeting predominantly an 'exclusive' demand or a 'specialised' demand. There is a small third trend evident in some institutions, in addition to the

<sup>10</sup> This was an unusual institution that operated not-for-profit and sponsored fees, with student contributions being a low R600.



primary demand to which they respond. That is, some institutions display elements of a South African version of demand absorption. These institutions respond to a demand for 'more' education than the public institutions can provide, to the very strong drive for credentials. However, these institutions are not simply absorbing excess in the sense that public providers do not have the capacity for greater numbers of students, as in other developing countries. Early expectations of massification in South Africa have been confounded by the low number of students qualifying for entry to higher education. These private providers are attracting students excluded from the public sector on the grounds either that they do not have the financial means or they do not meet the entry requirements.

The question remains whether this is an emergent trend - that new private institutions will emerge in response to a growing demand for 'more' education - or whether it is a repressed trend, in that many of the 'fly-by-night providers' constrained through state regulation were responding precisely to this demand for 'more' education from potential students that the public sector could not absorb.

## The dimension of funding

The dimension of funding was analysed to determine whether it reinforces the primary distinction drawn, or leads to further distinctions.

## Profit orientation and ownership

Examination of the profit orientation of institutions reinforced the two-fold distinction (see Table 1). Four cases operated not-for-profit, all meeting a 'specialised' demand. Two had a religious orientation; they relied historically on subventions from the church, bequests and donations, but increasingly are under pressure to become financially self-sufficient and profit-oriented. Two had a strong professional orientation, with one relying on membership and licensing fees as its major source of income, and the other a unique case established in response to a philanthropic motive and relying on corporate donations and sponsorship. These institutions were legally registered as Section 21 companies or trusts.

The majority of institutions in the study, reflecting the predominant trend among private higher education institutions in South Africa, operated for profit. Three forms of ownership were evident.

Firstly, some of the largest institutions were owned by publicly-listed education holding companies, some of which were initially extremely successful performers on the stock exchange. These institutions, primarily high-status, university-like institutions meeting an 'exclusive' demand, were acquired to pursue profit. In a minority of cases, institutions - mainly corporate classrooms - were established and owned by a publicly-listed company to meet its own education and training needs. Private institutions owned by publicly-listed companies tend to rely on tuition fees as the sole source of income, and as a result, fees tend to be high. The holding company typically offers initial investment capital as loans, and typically absorbs all profit generated.

Secondly, a large number of small-scale institutions were individually owned, legally registered as proprietary limited; they tended to be of the 'specialised' demand type. These institutions were often established at personal financial risk to the owner. Tuition fees tended to be marginally lower, although this varied depending on the target student and niche market. Those institutions that displayed an element of meeting a demand for 'more' education tended to have lower fees.

A third small group of 'specialised demand' institutions were owned by large corporations, established initially to meet the education and training needs of the corporation, or in some cases the industry. There is a growing trend for these institutions to become reconstituted as self-sustaining profit-oriented units. Where profit was generated, this tended to be ploughed back into the institution itself rather than absorbed by a holding company. Some of the corporate classroom institutions were supported by a Trust, and tuition fees tended to be higher than the TVETs, but sponsored by employers.

### Function and funding

Analysis of the data gathered on the dimension of funding weakly reinforces the two-fold distinction between institutions meeting an 'exclusive' or a 'specialised' demand for education. There was strong convergence around the profit orientation. Ownership of institutions differed, with the majority of 'exclusive' demand institutions owned by publicly-listed companies, and the majority of 'specialised' demand institutions with single proprietary owners. Only institutions meeting a 'specialised' demand operated not-for-profit.

### The dimension of governance

#### Registration and accreditation

The majority of institutions in the study were accredited, but there have been and continue to be long-running disputes about the registration and accreditation of some programmes. Disputes arise particularly where a proposed programme is not directly related to core expertise - and as a result the institution appears to pursue market opportunity at the expense of education quality - or where there is collaboration with foreign higher education institutions.

#### Collaboration and partnerships

The institutions meeting an 'exclusive' demand were integrally defined by the partnership arrangements into which they entered. The transnational institutions had very strong collaborations with foreign institutions, whether they operated as a satellite campus, a subsidiary, or simply a broker for the international provider. Partnerships were linked with financial ownership in complex ways. For instance, one transnational was owned by a local publicly-listed company but operated as a satellite campus of a foreign university. The foreign partner typically had very strong control over the content of the academic programme, the curriculum, assessment, and certification.

With the franchising colleges, there was a similar dynamic, but in collaboration with local public institutions, particularly the distance provider, UNISA. Private providers typically acted as a contact tuition centre, as an agent offering a programme and materials developed, assessed and certificated by the public university. Students registered simultaneously at both institutions, with the private institution typically paying a licensing fee to the public provider. Most operated on multiple sites (see Table 1), with some in turn franchising out their operations.

For the corporate classroom institutions, partnerships were central to their operation and enabled them to access quality, high-status academic, industrial and technological partnerships, in some cases internationally but also nationally, and tailored to corporate needs.

In contrast, the majority of proprietary-owned TVETs did not have strong partnership arrangements. Those that operated not-for-profit typically had religious or philanthropic partnerships, and a few acted as licensing and provisioning agents for a profession. The majority had weak partnerships that aimed to enhance quality and status, and to increase the ability to attract students, but were not vital to the operation. They were the typical kind of academic links such as external moderation to strengthen the curriculum and assessment process, or to provide legitimacy through independent accrediting bodies.

### Function and governance

The empirical data suggests that governance, specifically partnerships, is a dimension that differentiates significantly *within* the two-fold distinction drawn between institutions meeting a demand for 'exclusive' or 'specialised' education. The TVETs, for instance, were independent proprietary colleges, distinct from the corporate classrooms, which were centrally defined by their partnership relations. Similarly, transnationals were distinct from franchising colleges, arising from their collaboration with foreign institutions.

### Demand: defining private sub-sectors in South Africa

Using the concepts of 'more', 'better', 'different', identified from the literature on private higher education in Latin America, evidently does provide a means to draw intra-sectoral distinctions in the South African context.<sup>11</sup>

A small but influential sub-sector of private providers meets a demand for 'better' education. In the current South African context, this takes the form of 'exclusive' education, to provide internationally portable, high-status, career-oriented education on an exclusive basis for an elite. Some operate in partnership with international institutions, and others with local public institutions.

There is a small group of providers that in addition to 'different', meet a demand for 'more' education. In South Africa, this takes the form of extending access to those excluded from public provision by educational qualifications and finances. The critical question was raised whether this is an emergent trend or one repressed by the new regulatory framework.

The majority of private providers meet a demand for 'different' education. In the current South African context, this takes the form of small-scale 'specialised' providers offering vocational and professional programmes that are not traditionally considered to be higher education. These programmes aim to extend access to job opportunities and niche markets, most commonly at the intermediate NQF levels 5 and 6. Some are owned by and work in partnership with corporations, and others are individually owned and operated, a minority not-for-profit. It is evident that these private higher education sub-sectors offer different opportunities and contribute potentially to the goal of a diverse national higher education landscape in different ways.

To date, there has been an emphasis on containing the challenge posed by the sub-sector meeting a demand for 'better' higher education, because of the effects of the market and individual choice on the national public system. While this sub-sector is in direct competition with traditional public universities, a larger private sub-sector offers post-grade 12 higher

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<sup>11</sup> Note that these are ideal types. It was not easy to classify some institutions neatly.

vocational education and training, at a level of intermediate skilling for which there is insufficient public provision. There has been little attention to the actual and potential contribution of these private providers meeting a demand for 'different' education and training.

Thus, understanding the primary demand to which private sub-sectors respond, and the related organisational and financial forms, potentially leads towards a more nuanced engagement with the private higher education sector in relation to the public sector.

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## Special issue:

A contested good?  
Understanding private higher  
education in South Africa

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Guest editors: Glenda Kruss and Andre Kraak

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