



**SCHOOL OF ECONOMICS  
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# **Education in South Africa**

Extended and more equal after year 1994?

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## **Abstract**

South Africa held their first democratic election in 1994. The fact that ANC won this doctrinarian election is fundamental for all levels of the South African society.

South Africa constitutes a society with clear inequalities and social problems. Since education is considered as a crucial factor to meet these challenges we have studied if a more extended and more equal access to education is observable after the democratic election in 1994 compared with the years before. The period we study mainly reaches over 1983 and 2003.

Economic theories emphasizing the importance of education and the weight of not marginalizing any groups in the society from the access to this human right have guided us to the purpose of this thesis. With the development of the educational budget as a base; enrollment, boys-girls ratios in primary and secondary education and the distribution of resources between races have been used as a framework to this thesis.

We have found that the overall development of the educational budget as part of the total national budget has been positive during the period examined, but a decrease from 1997 and forward is seen. Although there have been a greater amount granted to the educational system, taking inflation into account. The development of the enrollment ratios in primary education shows a constant increase until 1995, the period after show a decline. The gender disparity has been reduced, but still girls' representation is lower than males'. In secondary education the development shows a constant increase of total enrollment and a continuing fluctuation in the gender diversity in advantage for girls has been observed. Before 1994 there was an important race marginalization within education, of particularly the black population. The development between 1970 and 1985 was very positive but still in 1985 the black and to some extent the colored populations were discriminated on both levels. After 1994 a clear priority to improve the quality of primary education for black children is seen. It is also obvious that efforts have been made to develop the quality of their secondary education. Despite this clear inequalities in education, in disadvantage for the black population, still remains.

**Key words:** South Africa, apartheid, equity, educational budget, enrollment ratios, races, marginalization

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## **Abbreviations**

ADB	-	Asian Development Bank
AIDS	-	Acquired Immune Deficiency Syndrome
ANC	-	African National Congress
CEM	-	Council of the Education Ministers
COSAS	-	Congress of South African Students
COSATU	-	Congress of South African Trade Unions
GDP	-	Gross Domestic Product
GNI	-	Gross National Income

HEDCOM	-	Heads of Education Department Committee
HIV	-	Human Immune Virus
IDASA	-	The Institute for Democracy in South Africa
LER	-	Learner Educator Ratio
NEPA	-	National Education Policy Act
NGO	-	Non Governmental Organization
NSFAS	-	The National Student Financial Aid
OECD	-	Organization for Economic Cooperation and Development
PAC	-	Pan Africanist Congress
R	-	Rand, South African currency, 1R=US\$0.16 <sup>1</sup> , 01-26-2006
SACE	-	South African Council of Educators
SACP	-	South African Communist Party
SASA	-	South African Schools Act
SPESSA	-	Statistical Profile of Education in Sub-Saharan Africa
UNESCO	-	United Nations Economic Social and Cultural Organization
USAID	-	United States Agency for International Development

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<sup>1</sup> <http://www.marketprices.ft.com/markets/currencies/ab>

# 1. INTRODUCTION

*“Equity is complementing to the pursuit of long-term prosperity. Greater equity is doubling good for poverty reduction. It tends to favor sustained overall development, and it delivers increased opportunities to the poorest groups in a society”<sup>2</sup>*

South Africa is today one of the richest countries in Africa. Although the apartheid regime hindered the country’s potential to develop. It was the Dutch that came to the Cape in 1652 and the British arriving during the nineteenth century who came to be known as Afrikaners or sometimes called Boers. The British victory in the war 1889-1902 formed the Union of South Africa in 1910. The National Party, lead by the Afrikaners, came into power 1948. It was this party that formed the political framework of apartheid which aimed to marginalize the black population. The marginalization worked to exclude the blacks from participation in the economic and political system.<sup>3</sup>

South Africa has joined the group of countries considered as upper middle income countries, the Gross National Income (GNI) per capita is \$3,630. The Gross National Product (GNP) of South Africa form today 35 per cent of the total GNP for sub-Saharan Africa. But still South Africa is marked by high unemployment, 26 per cent or 41 per cent if discouraged workers are included. The income differences between the white and the non-white population are considerable.<sup>4</sup> While the GNI per capita for the white population is close to the countries in the Organization for Economic Cooperation and Development (OECD) with an average of US\$26,000 the non-white population has an average GNI per capita of US\$825. Another comparison is that one part of the South African population, 13 per cent, lives under

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<sup>2</sup> François Bourguignon, Senior Vice President and Chief Economist, the World Bank. <http://web.worldbank.org>  
<sup>3</sup><http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/SOUTHAFRICAEXTN/0,,menuPK:141132~piPK:141107/~theSitePK:368057,00.htm>

<sup>4</sup> The South African population consists of; Africans 79.4 per cent, coloreds 8.8 per cent, Indians/Asians 2.5 per cent and whites 9.3 per cent. Black people include those who come from the Bantu-people, the original population, also called Africans. The coloreds are from the beginning a mixture of different racial groups, but have during modern time been considered as a proper racial group. Indians originate, as the name tells, from India and came to South Africa during the 1960’s. Sources: Statistical Release P0302, Mid-Year Population Estimates, South Africa 2004 and Anna Isaksson, *Utbildningssituationen i Sydafrika under och efter apartheid*, page 4

conditions similar to the ones in the industrialized countries while another part, 49 per cent of the population lives under conditions of the third world.<sup>5</sup>

The country is clearly marked by HIV/AIDS<sup>6</sup>, year 2000 South Africa had the most rapidly growing HIV/AIDS epidemic in the world. A report published by United Nations Programme on HIV/AIDS (UNAIDS) (2000) estimated that over four million of the population were HIV positive.<sup>7</sup>

Education about how to protect oneself against the virus is necessary to stop the epidemic. According to the UN Declaration of Human Rights article 26, education is considered as a human right.

*“Everyone has the right to education. Education shall be free, at least in the elementary and fundamental stages. Elementary education shall be compulsory. Technical and professional education shall be made generally available and higher education shall be equally accessible to all on the basis of merit”.*<sup>8</sup>

This human right guides us to the subject for this thesis. The reality today is that South Africa constitutes a society with clear inequalities and social problems. Common for these problems is that education is considered to be the key issue to handle these challenges. The question we aim to investigate is if the democratic election in 1994 in South Africa has contributed to an extended and more equal access to education among the whole population. The base for our discussion is the educational budget, which we will use to reflect the attitude and priority given to education in the country. Factors as enrollment, boys-girls ratio in primary and secondary education and the distribution of resources between races will be used to give a nuanced picture of the distribution of education among the population. Since the

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<sup>5</sup><http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/SOUTHAFRICAEXTN/0,,menuPK:141132~piPK:141107/~theSitePK:368057,00.htm>

<sup>6</sup> Human Immune Virus/Acquired Immune Deficiency Syndrome

<sup>7</sup> Education in South Africa: Achievements Since 1994, Department of Education 2001

<sup>8</sup> The UN Declaration of Human Rights, 1948

democratization process<sup>9</sup> has a central role for our subject we have chosen to mainly study the years 1983 – 2003, a period of time that reaches over this central transformation.

We are interested in examining how the government grants to education have changed on an aggregate level, how the educational budget as part of the total national budget has varied over time. This factor is interesting since it reflects the education politics that has been operated in the country.

Concerning enrollment, there are interesting aspects since there are economic theories which support the argument that investment in education is the kind of investment that leads to positive results on the economic growth of the nation. There are also theories which claim that the costs/returns to education are different for the individual and the society at different levels of education i.e. primary and secondary enrollment.

To take into account the boys-girls ratio is an interesting aspect since there are economic theories that support the importance of having girls active in the instruction. In many developing countries the trend is that girls do not get access to education in the same extension as boys.<sup>10</sup> This does not only mean that girls get discriminated and a human right gets infringed, it also means an economic lost for the individual and the society as a whole.<sup>11</sup> Since almost one half of the South African population is considered as poor, the country is by some means still considered as a developing country.<sup>12</sup> Therefore we will examine the girls' enrollment ratio and see if it follows the stereotype pattern that one has for developing countries. Worth mentioning is that one of the goals in the UN Millennium Declaration treats the importance of girls' representation in school. Goal number two which is supposed to be fulfilled year 2015 says; "*Ensure that all boys and girls complete a full course of primary schooling*".<sup>13</sup>

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<sup>9</sup> Through this thesis we will use the term democratization process and we than refer to the democratic election in South Africa in 1994. Aware of that the term has a wide meaning, we limit us to this event and its influence on the educational system.

<sup>10</sup> Todaro M.P. & Smith S.C. *Economic Development*, 2003, page 376

<sup>11</sup> Ibid, page 383ff

<sup>12</sup> <http://sida.se/sida/jsp/sida.jsp?d=352>

<sup>13</sup> [www.un.org/millenniumgoals/#](http://www.un.org/millenniumgoals/#)



The race aspect is important, if South Africa has become democratic after the election in 1994 there should now be as equal opportunities for a white child as for a black child to enter school. Moreover, the quality inequalities in education between the groups should, if not totally have disappeared, so at least been reduced. Important to note this early in the writing process is that the collection of data over this aspect has constituted a clear problem. The poor data founded are not consistent over the period and therefore we have been forced to use different parameters for the period of study. Unfortunately this hinders us from reaching a complete answer to our question. We will focus the race discrimination discussion on the relationship between the black population and the white population. Since the apartheid policy's main target was to marginalize the blacks, but also because the black population constitutes 79.4 per cent of the total population in South Africa. The other groups will briefly be discussed.

We have chosen to disregard factors as rural-urban differences, the distribution of governmental grants to the different educational levels or areas and how the HIV/AIDS epidemic strikes in different groups in the society. Although the HIV/AIDS question will be briefly treated.

This thesis is divided into nine chapters. The second chapter treats the choice of method. Through the third part background information to the subject is given, how the educational system in South Africa has changed before and after 1994. Section four concerns the previous research in the area and it presents some of the earlier documentations in the field and what is unique with this thesis. Chapter five consists of economic theories explaining the importance of education which will give support for the discussion. Data collection and limitations will be presented through chapter six, where period of study and type of data are motivated. Collected data will be presented and analyzed under the title data analyze in chapter seven. Chapter eight consists of the discussion, here own opinions to the observed development and our thoughts about South Africa's future will be presented. Section nine, conclusions; sum up the work through this thesis. Finally references and appendix are presented.

## **2. METHOD**

*Herein this chapter the method used in our investigation will be presented to clarify the course of action behind the study.*

After identifying our subject for this thesis, we started searching theories explaining why education has come to be regarded as such an important factor to reduce poverty. During this process we early realized that much research has been done within the area treating gender representation in education, consequently there are numerous theories treating the gender aspect in education. Another area where important research has been conducted and theories created is the field of education's impact on the economic development of a country. With guidance from these theories we started the collection of data. To have a base for the discussion we collected quantitative data from conventional databases. South African Reserve Bank gave us information about economic development, consumer price index, educational budget and educational budget as part of total national budget. We have used this information on an aggregated level to see if there are any connections between the economic situation, the grants to education and the enrollment ratios. On a disaggregated level, information concerning the distribution of education between genders has been collected through Statistical Profile of Education in Sub-Saharan Africa (SPESSA) and United Nations Social Economic Cultural Organization (UNESCO). Data concerning the race aspect have been found in different working papers. After the data collection simple calculations for the development over time have been done. These results have then been connected to the economic theories.

## **3. BACKGROUND INFORMATION**

*In this section general information about the educational situation in South Africa before and after 1994 will be presented. The effects of the apartheid on education in post-apartheid South Africa will briefly be treated. Problems connected to the HIV/AIDS question will be introduced. This information is provided to give a more diversified picture of the educational situation in the country.*

### 3.1. Education in South Africa before 1994 – an overview

Apartheid was introduced in South Africa when the National Party won the popular vote in 1948.<sup>14</sup> One of the consequences of the National Party's apartheid policy was that the ten year long basic education ceased to be compulsory and free of charge for black people while it still was for whites, coloreds and Indians.<sup>15</sup>

In 1953 the so called "Bantu Education Act" was introduced. This law settles that education for blacks should be integrated in the plan for segregated social and economic development. The idea with the "Bantu Education Act" was to raise the blacks to become manual laborers for the whites and a special effort was laid on their education in agriculture and handicraft. The instruction was given in their mother tongue and English lessons were only given to facilitate the communication between black and white people.<sup>16</sup>

The bureaucracy within the educational system expanded until 1978. Its structure was based on ethnic affiliation and consisted of 18 different departments and each department had a minister and an authority whose purpose was to compile books etc. In addition to these 18 departments there was another department whose purpose was to develop and establish norms for how to control the other departments. In those departments, which were responsible for the education for black people, there was a big shortage of teachers while in the whites' departments there was profusion.<sup>17</sup>

In the country there were different types of schools; state-owned, partly private and totally private schools. The state-schools were owned and financed by public means, but at the same time imposed with fees. The size of the school budget depended on which department it belonged to.<sup>18</sup>

The poorest areas were almost completely dominated by "community schools". In the cities the schools were practically always built by the government while in rural areas this was done by local associations. In the latter case the parents played a determining role in the collection

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<sup>14</sup> Utrikespolitiska Institutet. *Sydafrika. Länder i fickformat*, 2003, page 16

<sup>15</sup> Isaksson A, *Utbildningssituationen i Sydafrika under och efter apartheid*, 2001, page 13

<sup>16</sup> Ibid, page 8

<sup>17</sup> Ibid, page 13

<sup>18</sup> Ibid, page 14

of financial means to the school because the government only paid teachers salaries, books and a limited share of other school materials. When “Bantu” education was introduced in 1953 farm schools were established in association with “white” farms. They were run by the expense of the government, while the building was owned by the farmer, who also had the power to decide whom to employ or fire. It was also common that the pupils were exploited as an extra workforce on the farm.<sup>19</sup>

Half the private schools consisted of so called “model C” schools, these schools were the most common schools for the white population. The schools had a public ownership and the teachers’ salaries were paid by public funds as well. All the rest expenses were paid by a special board elected by the parents, the board made decisions in questions concerning school fees, laws and employees. The parents played an important role for the “model C” schools when it came to collect money to finance the school. Finally there was a little part of private schools which were totally financed by school fees and consisted of top students to a large part. These schools were obliged to prove that they followed the established criteria to be approved by the school system.<sup>20</sup>

In 1975 the government made a decision to reform the education of the blacks, which resulted in overfilled classrooms and unqualified teachers. The reform faced strong objections among the black pupils and the following year the Minister of Education announced that half of the instruction for the blacks should be given in Afrikaans with the purpose to make it harder for them to communicate with people outside the country. For the black people Afrikaans was associated with oppression by the whites and was not spoken among them. It was a language which neither the teachers nor the pupils mastered. When this decision was taken the black pupils were automatically given a subordinated position and prevented from competing on equal conditions.<sup>21</sup>

The black students commenced to organize themselves and expressed their objections against this inferiority. In June 1976 students from schools in Soweto carried out a demonstration in which 20,000 black pupils between 10 and 20 years participated. To begin with the demonstration carried on peacefully but was later met by police and military forces. Some

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<sup>19</sup> Isaksson A, *Utbildningssituationen i Sydafrika under och efter apartheid*, 2001, page 14

<sup>20</sup> Ibid

<sup>21</sup> Ibid, page 9

500 children were murdered and hundreds arrested by the police. This action made the rebellion disseminate to other cities within the country and a rebellion against the whole apartheid system started, at the same time as the police and military kept on persecuting, torturing and murdering children.<sup>22</sup> Since this rebellion, black students have played an important role in the combat against apartheid.

During the 1980's a student organization called the Congress of South African Students (COSAS) developed. It became the first youth organization since the 1950's to assemble members from all of South Africa. Aside from improvements within the education, COSAS demanded a general democratization of the society. In the same time as the student organization against apartheid grew, the apartheid movement also grew stronger.

In 1983 the municipal law was reformed, this gave the municipals greater right of self-determination. The education of Indians and colored was obliged to reach the same level of quality as that of the whites, this in the same time as the education of the blacks remained unchanged and they lost their right to vote. Thus this reform made the movement against apartheid grow even stronger and as a protest against the government curriculum an alternative education began to take place. As a response to this action the government arrested anti-apartheid activists which were mostly youths. In 1985 COSAS was prohibited and new rules for the country's schools were introduced. The rules implied that the pupils were forced to carry ID-cards; the school yards were fenced in and guarded by military. During 1986-1990 state of emergency was proclaimed in the country, this gave the police and military expanded authorities to harass and arrest apartheid opponents.<sup>23</sup>

In the beginning of 1990 the African National Congress' (ANC) youth association produced numerous campaigns under the name "knowledge is power". The students realized the importance of the ability among the black population to read and write, especially to produce an election. The campaigns aimed to teach people in rural areas to read and write. As people realized that knowledge is power they began to return to the schools and the number of school seats occupied increased with 20 per cent. This heavy influx of pupils to the already overfilled

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<sup>22</sup> Isaksson A, *Utbildningssituationen i Sydafrika under och efter apartheid*, 2001, page 10

<sup>23</sup> *Ibid*, page 11

schools was source to a lot of teacher strikes and boycotts.<sup>24</sup> Earlier the same year ANC, Pan Africanist Congress (PAC) and South African Communist Party (SACP) were forbidden. The following year, 1991, the government annulled parts of the apartheid laws, this at the same time as the government and the ANC started having discussions. In the end of 1993 negotiations between the government, ANC and 17 other groups resulted in a temporary constitution which is accepted and valid until the next election. The 27<sup>th</sup> of April 1994 the first general election took place in South Africa.<sup>25</sup>

### **3.2 Education in South Africa after 1994**

With the first democratic election in South Africa, ANC established an alliance with SACP and the Congress of South African Trade Unions (COSATU). In the new parliament ANC received 252 seats out of a total of 400 and Nelson Mandela was elected President for a five year period. The National Party received a total of 82 seats.<sup>26</sup>

The two upcoming years were marked by negotiations with the purpose to reach a new constitution and in May 1996 an agreement was reached. One point that caused some turbulence was whether the schools were supposed to have instruction in exclusively one language or not. While the National Party wished to see single language schools, ANC feared that this would mean that apartheid could be reintroduced. The outcome of this dispute was that it became possible to give single language schools right to government grants.<sup>27</sup>

In 1995 the race differences will officially come to an end in the public primary school. Simultaneously with this, the school becomes free of charge and obligatory for children aged 7-14 years. In 1997 the new non-racist constitution was put into force.<sup>28</sup> During the same year “The Ministry of Education” was established to be responsible for the national instruction. The former 18 departments of education were now to be replaced by one single educational system, “The Department of Education”. This department is organized after nine provincial systems. With this reorganization the division founded in race differences disappears and instead it is the actual localization in the country that decides which education a child

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<sup>24</sup> Isaksson A, *Utbildningssituationen i Sydafrika under och efter apartheid*, 2001, page 12

<sup>25</sup> Utrikespolitiska Institutet. *Sydafrika. Länder i fickformat*, 2003, page 20

<sup>26</sup> Isaksson A, *Utbildningssituationen I Sydafrika under och efter apartheid*, 2001, page 7ff

<sup>27</sup> Ibid

<sup>28</sup> Utrikespolitiska institutet, *Sydafrika, Länder i fickformat*, page 7ff

receives. Each province becomes responsible for the education in its geographic region. "Council of Education Ministers" consists of the ministers of education at a national level and it is those who lead the work at a provincial level and make sure that the guiding principles are followed. Besides this group there is also the group called "Heads of Education Department Committee". Their task is to assure the development of the national educational system.<sup>29</sup> The education in South Africa is today divided into sectors and levels. Within the sectors one can see "independent school education", "special school education", "technical college education", "teacher-training", "tecnikon" and "university training".<sup>30</sup>

The South African Constitution from 1996 establishes the grounds for the new school in a democratic South Africa. Education is to be based on values of human dignity, non-racism, non-sexism, human rights, equality and freedom.<sup>31</sup> The constitution also guarantees basic education for all, children as well as adults. The White Paper which is the fundamental document for the Minister of Education treats "Education and Training in a Democratic South Africa: First Steps to Develop a New System".<sup>32</sup> The White Paper is a policy document which presents the goals and different projects needed to reconstruct the educational system to serve all groups of people in South Africa. It embodies different developmental initiatives and issues which should be promoted on a local level.<sup>33</sup> The main developmental goals for the local governments recognized in the White Paper are: "maximizing social development and economic growth, integrating and coordinating, democratic development and leading and learning."<sup>34</sup> The White Paper also identifies different crucial results;" provision of basic household infrastructures and services, creation of livable, integrated cities, towns and rural areas, promoting local economic development."<sup>35</sup> This is an important paper because it embodies the spirit of the South African people in the wake of democracy. Their hopes and plans for a bright future where education accessible to all people constitute the main engine behind social and economic development.

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<sup>29</sup> Isaksson A, *Utbildningssituationen i Sydafrika under och efter apartheid*, 2001, page 16

<sup>30</sup> Ibid, page 17

<sup>31</sup> Strategic Plan for the Department of Education 2002-2004

<sup>32</sup> Ibid

<sup>33</sup> [http://www.polity.org.za/html/govdocs/white\\_papers/educ1.html#MSG1](http://www.polity.org.za/html/govdocs/white_papers/educ1.html#MSG1)

<sup>34</sup> Qomfo L & IDASA, *Budget Brief No 153; Local Government Responsibilities*, 2005, page 3

<sup>35</sup> Ibid

The National Education Policy Act (NEPA) which works as a co-operative governance was founded in 1996 and laid the ground for the Council of the Education Ministers (CEM) and the Head of Education Departments Committee (HEDCOM). The aim of NEPA is to formalize bindings between national and provincial authorities and to make clear the responsibilities for the Minister of Education. HEDCOM is responsible for the formation of general national policies and to further education for all.<sup>36</sup>

The South African Schools Act (SASA) from 1996 is a document that guarantees children between 7 and 14 years old qualitative schools without discrimination. It supports two kinds of schools; independent schools and public schools. One key point for this document is that there should be democratic governance in the schooling system.<sup>37</sup>

In 1997 The Higher Education Act is presented, a statement for the development of higher education in South Africa. Through institutional planning and budgeting the aim of this act is to guarantee access to higher education of good quality. This document cumulated in the National Plan for Higher Education in 2001.<sup>38</sup>

The Employment of Educators Act (1997) treats questions concerning educators. This paper establishes the requirements concerning the competence, moral and ethical responsibilities for the teachers. There is now one professional council that treats these kinds of questions, the South African Council of Educators (SACE).<sup>39</sup>

To reduce the significant rift between different social classes the National Student Financial Aid (NSFAS) was founded in 1996, with the aim to give students from poor families financial aid. In 2000 the NSFAS was established as a statutory agency. In year 2001, 80 000 students received bursaries or loans from the organization.<sup>40</sup>

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<sup>36</sup> Strategic Plan for the Department of Education 2002-2004, Department of Education

<sup>37</sup> Ibid

<sup>38</sup> Ibid

<sup>39</sup> Ibid

<sup>40</sup> Ibid



### 3.2.1 HIV/AIDS

South Africa is today deeply marked by the HIV/AIDS epidemic and the government fears that with the phase of the epidemic, the drop-outs in school due to illness and poverty will increase in the future. There will be a negative school population growth. It has been observed that teachers are an extra vulnerable group and this affects the function of the school system. Teachers constitute a mobile social group with knowledge and a relatively high income. This means that they often need to shoulder the burdens when their families are affected by HIV/AIDS.<sup>41</sup> The extended understanding for the impact of HIV/AIDS on the whole society has forced the country's government to take actions in the question. When the Minister of Education in 1999 put up nine strategic issues for the education policy, HIV/AIDS constituted one of these points. The aim was to make the HIV/AIDS question a part of the curriculum. In practice this meant that the educational system should make awareness about the disease and construct a plan for how the educational system shall manage the consequences of the disease in the future.<sup>42</sup>

### 3.3 Effects of apartheid in post-apartheid South Africa

In 1995 the World Bank presents a report; *South Africa: Education Sector Strategic Issues and Policy Options*. This report shows what effects the apartheid-regime has had on the educational system as well as the society as a whole. Below we introduce some of these arguments, important to mention is that the report is written in the wake of the democratization process ten years ago.

In 1995 South Africa had an educational profile that is typical for a low-income country even though the country had an economy of an upper middle-income country. The educational profile consisted of high rates of repeaters, low academic survival rates for primary schools' students and those who reached the secondary level had a low learning outcome.

The apartheid regime contributed to this weak school situation in South Africa. During apartheid the quality of the education offered to black students was very poor and this had a

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<sup>41</sup> Education in South Africa: Achievements since 1994, Department of Education, 2001

<sup>42</sup> Ibid

clear impact on the majority of the population. One obstacle for black students to enter school was that the children had to master English and Afrikaans. The black students who succeeded to enter school received an education of significant lower quality than the other students. The workforce who was active after the apartheid period was therefore relatively low-skilled.

Another effect of apartheid was that the country's technical, professional and managerial skills became low and in these areas blacks were clearly underrepresented the years after apartheid's fall. This led to the fact that African students did not have the same possibilities as other students to become economically productive adults which affects generations to come. The black students who during and after apartheid entered school had an important higher level of drop-out and repeaters than other students. The total amount of African students who not were in school reached at a maximum 1.8 million children, grade 1 to 12. Out of 10,000 black students who followed primary school only 27 managed to reach studies at the university. Concerning the education benefiting black students, one problem has been that black teachers did not have a high level of education and training which means that their students will receive significantly lower quality of the instruction.

#### **4. PREVIOUS RESEARCH / DOCUMENTATION**

*In this part earlier research within the subject's area will be presented. This to give an idea about what kind of research that has been done previously and by whom, but also to distinguish what is new in this study.*

Education is a crucial factor to eliminate poverty. There are several theoretical documents stressing the importance of gender equality in education. Economic theories concerning the liaison between women's education and economic growth are an import research area internationally. These two questions, gender equality and women's role in education, found the base for the discrimination discussion. Theories treating the economic effects of race marginalization have not been found, that means documents with focus on statistical analysis concerning the effects of apartheid. Regarding apartheid the only documents we have found are papers describing the theoretical effects of this policy.

The previous research done in this area are of various kinds and done by different organizations and institutions. Budget analyses have been done by an organization called IDASA - The Institute for Democracy in South Africa. IDASA is a free-standing organization which actively works with budget questions. Unfortunately their material did not cover our approach to the subject of this thesis but their materials gave an important introduction to the subject. Other studies take the standpoint in educational statements made by the government. Organizations and institutions have examined how well the government has succeeded in reaching their targets regarding the development of the education. These reports are often made on commission by the government, this might question their objectivity. The World Bank has shown an interest for education in South Africa after the fall of the apartheid regime but also for economic profits of education.

We like to see the combination of parameters, period and method to constitute the unique with this thesis. We use the development of the educational budget as a base for the thesis and then link the development of the factors; enrollment ratios, gender representation and race marginalization to this base. To our knowledge, this disposition is unique.

## **5. SUPPORTING THEORIES**

*Since education is seen as a crucial factor to help solving the problems the country suffers from, theories explaining the importance of education is presented in this section. As we are interested in investigating if the access to education has become more equal among the population groups after the democratization process it is interesting to clarify what effects reduced marginalization convey. Some of the theories below explain the importance of reduced inequalities within education. They link reduced inequality to improved productivity and economic growth which show the importance of not marginalizing certain groups in the society. Theories focusing on the multiplier effects from improved female education on generations to come are of particularly great importance for South Africa since 43 per cent of the black girls and 40 per cent of the colored girls by the age of 19 have at least one child.<sup>43</sup>*

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<sup>43</sup> Maharaj P., Kaufman C., & Richter L.: *Children's Schooling in South Africa- Transitions and Tensions in Households and Communities*, 2000, page 14

## **5.1 Private/social costs and returns to education**

According to Todaro and Smith the social costs of education are rising at higher levels in the same time as the social returns of education are increasing more rapidly at the primary level than at higher level. This should be put in relation to how the private costs and returns change with different educational levels. The expected private return to education is quite low at primary level but increases more and more rapidly the more years in school completed. The private costs of education are increasing more slowly than the expected private returns. The problem with this theory is that the optimal number of years of schooling is not the same in the private point of view as in the social. The social benefits from schooling are greater on the primary level than on the secondary, while the private benefits of schooling increase more and more when the number of completed years in school increases. The result of this is that the expected private value of higher education exceeds the social value which is reflected as either unemployment among people with higher education or overqualified people at simple jobs, which results in a big misallocation of scarce resources.<sup>44</sup>

## **5.2 The importance of not marginalizing groups from the access to education**

Below theories explaining the importance of girls' education will be presented. As we see it all theories treating the positive effects of girl's education could be applied for explaining the importance of equal access to education for all racial groups, except the ones treating pure physical differences.

Since women in developing countries in a greater extension than men are poor, an enlarged education for women is a crucial factor when it comes to breaking the poverty pattern.<sup>45</sup> Empirical studies made in different developing countries all show the same pattern. Investments in girls' education are some of the most profitable investments a country could do to reach economic development and find their way out of poverty. According to studies made by the World Bank and the United Nations the social benefits of increased girls'

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<sup>44</sup> Todaro M.P. & Smith S.C. *Economic Development*, 2003, page 382ff

<sup>45</sup> Ibid, page 377

education are alone enough to cover the costs of the investment even though the added earnings power from education was not taken into account.<sup>46</sup>

### *5.2.1 Hill and King – GDP and inequalities in education*

Hill and King (1995) have investigated the impact of gender inequality in education on economic growth. In their study they did not relate gender inequalities directly to GDP growth; instead they identified different levels of GDP and linked it to gender inequalities in education. The result of their study illustrated that a low female-male ratio of enrollment is associated with a lower level of GDP per capita.<sup>47</sup>

### *5.2.2 Dollar and Gatti – GDP and inequalities in education*

Besides from Hill and King, Dollar and Gatti (1999) also studied the connection between gender inequality in education and economic growth. They examined five-year growth intervals and attempted to distinguish the probable endogeneity between education and economic growth. The result of their investigation proves that there is a positive liaison between the female secondary education and economic growth. It is the opposite case for male secondary education which has a negative liaison with economic growth. Further on, the sample also shows that furthering female education does not have a positive impact on economic growth in countries where the female education is low, whilst encouraging female education in countries with higher levels of female education has a major and ample positive impact on economic growth.<sup>48</sup>

### *5.2.3 Native abilities*

Suppose that there are no differences between boys and girls when it comes to native abilities. A lower girls' enrollment ratio indicates that among all the children who get education the average level of native abilities is lower than it would be if the enrollment ratios of boys and girls were equal. With gender inequalities in education, less able boys get more opportunities to education than more able girls (because of their difference in numbers). This selection-

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<sup>46</sup> Todaro M.P. & Smith S.C. *Economic Development*, 2003, page 377

<sup>47</sup> Klasen S, *Does Gender Inequality Reduce Growth and Development?*, 1999 page 4

<sup>48</sup> *Ibid*, page 5

distortion in education affects the productivity of the labor force and this in turn hampers economic growth. Despite from the hampering effect on economic growth this factor also explains how boys' education do not have as positive impact on economic growth as girls' education because it leads to a misallocation of the resources disposed to education. The selection-distortion effect does not only suggest a lower productivity of the labor force, it also suggests that as women are denied education they are also unable to participate in the formal sector's labor force. This contributes to higher labor costs as the labor supply is not as big as it would have been.<sup>49</sup>

#### *5.2.4 Productivity effects*

Gender bias results in different access inequalities. Besides from inequality in employment access it also provokes inequalities in access to new technology. This has a hampering impact on economic growth because it impedes women's aptitude to increase their productivity in cultivation or other entrepreneurial activities. In addition, gender bias also provokes the inability for women to participate in the formal sector's labor force. This makes women's work remain unrecorded; a substitution of women's work from the unrecorded informal sector and work within the household to recordable jobs in the formal sector will make women's labor observable. Only the possibility to record their work causes a positive pure measurement effect on economic growth.<sup>50</sup>

With this result it is clear that investments in education on all levels have contributed to economic growth. By establishing a labor force with better knowledge and skills this increases its productivity. Investments in education create employment not only for teachers but it also contribute to employments within the textbook and printer industry, for construction workers and other related industries and workers.<sup>51</sup>

#### *5.2.5 Demographic effects*

Besides from the reports which connect gender inequalities in education with economic growth, there are numerous reports and surveys which connect gender inequalities in

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<sup>49</sup> Klasen S, *Does Gender Inequality Reduce Growth and Development?*, 1999, page 8

<sup>50</sup> Ibid, page 8 ff.

<sup>51</sup> Todaro M.P. & Smith S.C. *Economic Development*, 2003, page 376 ff.

education to fertility and child mortality. A study made by Summers (1994) prove that on average African women with at least seven years of education have two fewer children than other African women without education. Using economic models to determinate the fertility rate, one finds that the opportunity cost of woman's time and her bargaining power are factors of great importance.<sup>52</sup>

The returns when investing in girl's education are often higher than the ones in boy's education in most developing countries. By augmenting women's education you do not only raise their productivity in the agricultural sector or in the factory. This augmentation will also contribute to the fact that they will get married later and have fewer children with better health. Wealthier children and more educated mothers give a multiplier-effect on several generations to come concerning the country's human capital.<sup>53</sup>

According to the World Bank (1993) increased female education improves the consciousness among women about health and helps to promote the health of their children. As women get education their chances to get a better paid job or a paid job at all increases. This means that their bargaining power increases. An extended bargaining power enlarges her power over the distribution of the household's resources which leads to, in comparison to her husband, a greater investment in the education, health and nutrition of her children.<sup>54</sup>

According to Young (1995), Bloom and Williamson (1998) and Asian Development Bank (ADB) (1997) the following theory can explain the rapid economic growth seen in East and South-East Asia. The reduced fertility boosts economic growth indirectly in different ways. First, the dependency burden on the labor force decline, as the non-working part of the population will decline in comparison to the working one. This makes the supply of savings in the economy increase, fewer children gives lager scope for savings in the household budget. Second, as a result of preceding high population growth the labor force will be enlarged which will boost investment demand. The enlarged labor force means that the proportion of people in the working age as a part of total population grows. This leads to an increase in per capita economic growth, assuming that unemployment does not exist. Thus this is a

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<sup>52</sup> Klasen S, *Does GenderInequalityReduce Growth and Development?*, 1999, page 6

<sup>53</sup> Todaro M.P. & Smith S.C. *Economic Development*, 2003, page 377

<sup>54</sup> Klasen S, *Does GenderInequalityReduce Growth and Development?*, 1999, page 9

temporary effect. After some decades will instead the dependency burden increase. This is due to an increased proportion of elderly in comparison to the working age population.<sup>55</sup>

## **6. DATA SOURCES AND LIMITATIONS**

*To collect data-material has been the most crucial part of this writing process. In this chapter the different data sources used will be presented. This section also includes the choice of period to study. The information about the data sources are given to be able to do a good critical review over them. The data we are going to use in this analyze are a collection of material from the South African Reserve Bank, UNESCO, SPESSA-99 and various working papers. Limitations which we have chosen and been forced to do will be presented in the final section.*

### **6.1 Choice of period to study**

Choice of period has not been an easy task. We have been forced to adjust our period of study to the real access of information over the different areas of study. We chose the period 1983 – 2003 on the basis that we found it interesting to look at two periods with 1994 as a breakpoint. Searching for a twenty-year interval and the lack of access to budgetary data for more recent years than 2003 made us start the observation period in 1983. Aware that this gives unequal distribution of the number of years before and after 1994 we still want to see it motivated to cover the years 1983 and 1984. Concerning the enrollment data it is not as coherent as the budgetary data and only gives figures for separate years before 1994 starting in 1985. It is still interesting to study the grants to education the years before 1985. To see how the economic situation has been and if any drastically changes have taken place. Another motivation is that changes in the grants involve delayed effects and do not give immediate results in the enrollment rates.

Regarding information over the race discrimination, we have been very limited in our choice of period. We have faced an extreme lack of information about this and dedicated a

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<sup>55</sup> Klasen S, *Does GenderInequalityReduce Growth and Development?*, 1999, page 7



considerable amount of time to find data over race discrimination within education but unfortunately without satisfactory results. Therefore we have been forced to use information from random years with large intervals. This constitutes the greatest weakness of this thesis.

## **6.2 Budget Data**

The South African Reserve Bank has great resources regarding general economic information. From this site information concerning the government budget, GDP and consumer price index have been collected. With these resources we have been able to make a complete picture over the government grants to education for the period 1983-2003. Information at an aggregated level was relatively easy to find. The problem came when searching data at a disaggregated level. The aim was to collect data specifying the grants to education on the different levels; i.e. primary and secondary education. Unfortunately we have been unable to find this kind of data. The choice of GDP as indicator of the economic situation is that it is a conventional and well known measure of a country's economic growth. Important to note is that we do not place economic growth on equality with general social development of a country.

## **6.3 Enrollment Data**

Concerning enrollment ratios, the most essential problem has been the collection of data divided by population group. Another problem has been to find appropriate data over the period before year 1994. For recent years we have been able to find material that well cover this period regarding primary and secondary enrollment. Between 1985 and 1990 it has been very difficult to find appropriate data, we are well aware of that this has a negative impact on the results we are going to reach. The aim has been to first study the overall picture, the enrollment in primary and secondary education concerning both sexes and then to see if South Africa follows the conventional picture of African countries discriminating women in education. For the latter purpose we needed to find information about female-male ratio enrollment.

SPESSA-99 is a database that treats the status of education in Africa. The lack of information in this central field led to the founding of this source of information. The organizations behind the material in this database are UNESCO, United States Agency for International Development (USAID) , the World Bank, the Association for the Development of Education

in Africa (ADEA) and Étonnant Technology Groupe. The information provided by UNESCO is based on countries' replies to UNESCO's questionnaires and surveys made in corresponding country. SPESSA-99 has its weaknesses; it has not been able to cover all the years that it was supposed to represent. The lack of data is due to wars, social conflicts etc. Despite these weaknesses of the database it has been highly useful in our work and through this program we have reached information from the years 1985 and 1990-1996. As a complement to the data observed through SPESSA-99 we have used UNESCO as source to cover the years 1999-2002 concerning total enrollment and the female-male ratio. UNESCO in their turn is one of the sources behind SPESSA-99 which we see as a positive fact since this minimizes the risks when mixing data sources.

One clear weakness of the discussion concerning different enrollment ratios is that we have been forced to use gross enrollment due to extreme lack of information concerning net enrollment. Gross enrollment means every child starting school without consideration to the fact that the child starts in the right grade or not, this means that repeaters might also be considered in this statistics. Using net enrollment would have made the picture clearer because it excludes the number repeaters and drop-outs. Utilizing net enrollment would have been preferable but with those weaknesses it had, it would not have contributed to make the picture clearer. Still this implies a weakness of the thesis, which means that the conclusions made are not as strong as they would have been if data over net enrollment was available.

#### **6.4 Data over the race aspect**

Regarding the data which treats the racial aspects we have had difficulties finding relevant data and particularly data series which reach over years before and after 1994. The sources used are papers containing data and theories, written by persons from outside the country. Because of the poor access to relevant data we are forced to look at different parameters in different periods. The same definitions for the racial groups as mentioned in the introduction will be used.<sup>56</sup> For the period before 1994 we have used M. A. Marais's paper; *The Distribution of Resources in Education in South Africa* (1995). This contains figures over enrollment ratios and spending per pupil divided by different racial groups for the years 1970

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<sup>56</sup> Aware that the notations for the racial groups differ between the papers we place black on equality with African and we assume that Asians includes Indians. The key point is to examine how the figures for the different groups changes in comparison with the white population.

and 1985. M. A. Marais has in turn collected the data from Central Statistical Services, Department of Statistics, Department of Education and Training, Department of National Education, Malherbe (1977) and Trotter (1988). M. A. Marais sees a weakness with this method to measure possible inequalities, it does not take into account how many years each student of the different racial groups participates in the education. To minimize this weakness an alternative way is to consider how equally government grants are distributed among the groups.<sup>57</sup>

For the period after 1994 the data is collected from the paper; *Race, Equity and Public Schools in Post-Apartheid South Africa: Equal Opportunity for All Kids (2004)*, written by Futoshi Yamauchi whom in turn claimed to have collected the information from the South African School Census Data. In contrast to M. A. Marais the data used in Futoshi Yamauchi's paper treats the Learner – Educator ratio (LER) for different racial groups. The LER shows how many pupils in average there are per teacher. This measurement gives an indication of how much that is spent on each pupil, which in turn will give an idea of the educational quality. The weaknesses with this data are that it does not reach over a long period and especially that it does not show any figures for years before 1994. Another weakness is that it does not say anything about the quality of the teachers education, which differs between the racial groups and in the extent also affect the quality of the education the pupil get. Despite the lack of complete data we do find it important to include the racial aspect since educational discrimination was one of the key issues in the combat against apartheid.

## **6.5 Limitations**

During this writing process several factors related to our aim have been found. The timetable and the extent of this thesis have forced us to disregard some of these factors although they are interesting. One factor which has been ignored is the rural-urban condition regarding education. It would have been interesting to see how the enrollment ratios vary between different areas. The distribution of the educational budget to rural and urban areas would also have been motivated to consider. Concerning the educational budget, the distribution of means between primary and secondary could also have made it possible to draw clearer

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<sup>57</sup> Marais M.A., *The Distribution of Resources in Education in South Africa*, 1995, page 47

conclusions. Why the distribution between primary and secondary has not been treated is a question of lack of data.

Another limitation is the absence of information concerning the impact of HIV/AIDS on the enrollment ratios. This could be an interesting factor to consider since it is likely to affect the access to education for children who have lost their parents due to HIV/AIDS. Another aspect is whether one can see a pattern over which groups that are most vulnerable to the epidemic and if this could be connected to in which extent the different groups had received education.

We have excluded tertiary education because we consider primary and secondary education to be more important for the people in South Africa. Today South Africa is a country who partly shows the pattern of a low-income country. To be able to form a platform for further sustainable development which everyone can follow, primary and secondary education ought to be prioritized instead of tertiary education.

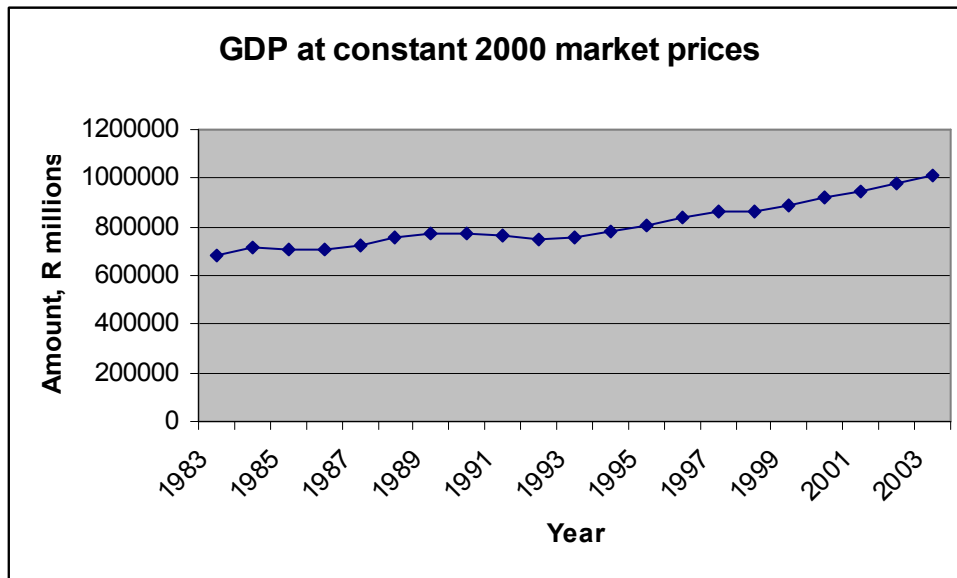
## **7. DATA ANALYSIS**

*In this part all the data will be presented in different kinds of diagrams to illustrate the development over time. Descriptions of the changes and some discussions about underlying reasons will also be made, the main discussion will be held in chapter eight. The figures mentioned in the text are also found in the appendix.*

### **7.1 South Africa's economic situation 1983-2003**

To illustrate the general economic development in South Africa for the period 1983 to 2003 data over the country's GDP development is used as a foundation. The purpose with this is to affiliate the educational budget data to the GDP development to find explanations to possible deviations.

Figure 7:1



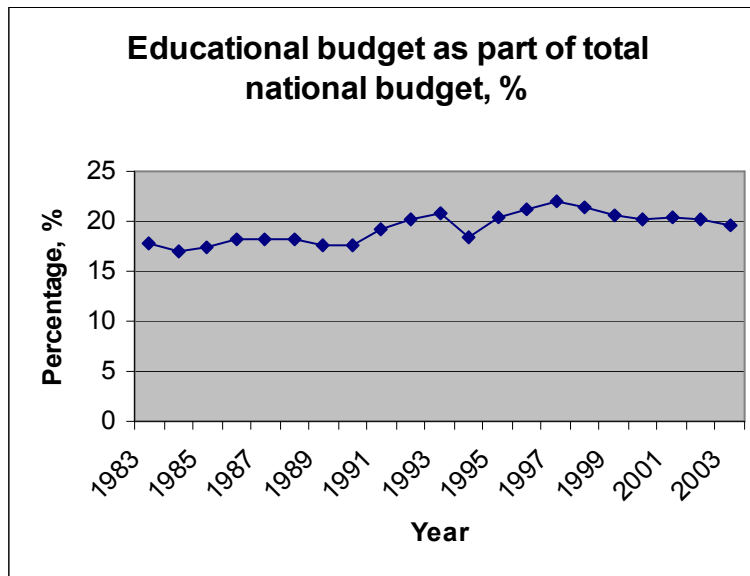
Source: South African Reserve Bank, 2005

South Africa had a positive GDP growth for the period, 1983 - 2003. Yet there were two temporary periods of decline during 1984 -1985 and 1989 – 1992. The decline in 1989 to 1992 ought to be connected with those democratic advances made in 1994. During this period there were disturbances within the country and state of emergency were proclaimed in 1986 until 1990. Boycotts and strikes were ordinary parts of everyday life. What a situation like this it is natural that focus lies in trying to solve and moderate the problems and turbulence occurring in the country rather than promote economic growth. The turbulent period before 1994 probably resulted in fewer foreign investors since they at this time were likely to have fewer incentives to be active in the country. This should have affected the economic situation. After 1994 one can distinguish a clearer growth in South Africa's GDP than before. This could be seen as a positive result of South Africa's democratization process.

## 7.2 The national educational budget

To reflect the government's priority to education figures showing the educational budget as part of total national budget will be presented. To illustrate the real annual growth of the amount spent on education, data over total expenditure national education and consumer price index will be used.

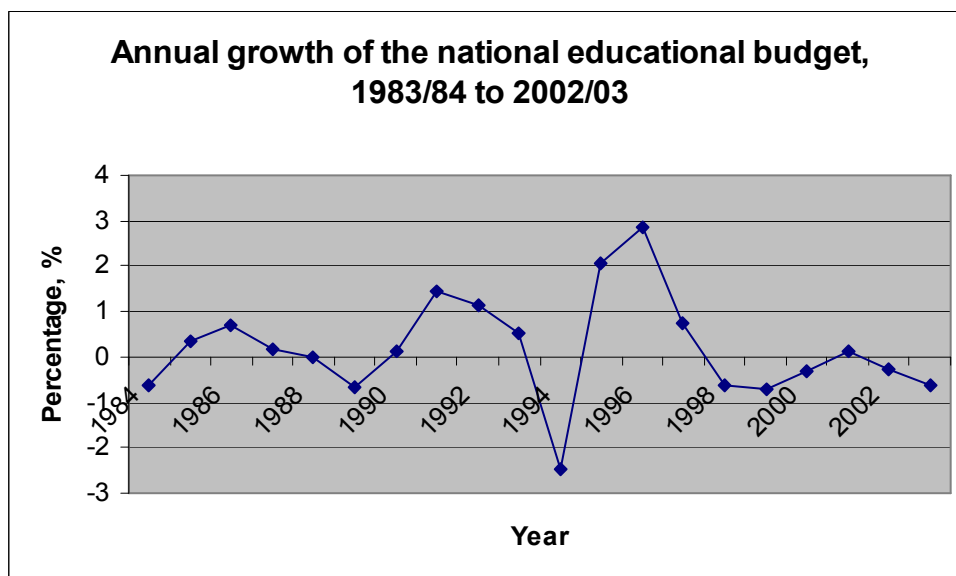
Figure 7:2



Source: South African Reserve Bank, 2005

The development in the educational budget as part of the total national budget has varied to some extent from year to year between 1983 and 2003. It reached its minimum at 17.10 per cent in 1984 and its maximum at 21.96 per cent in 1997. From 1997 to 2003 the development of educational budget as part of total national budget has been negative.

Figure 7:3



Source: South African Reserve Bank, 2005

When analyzing the percentages with 1994 as a breakpoint we can see that before 1994 there were two periods when the percentages of national spending on education were cut down. Looking at the periods after 1994 there were five periods of decreases in the educational budget as part of the total national budget. Between 1983 and 2003 the educational budget as part of total national budget increased from 17.72 per cent to 19.54 per cent, which means an overall increase of 1.82 percentage units.

The most significant changes happened between 1993 and 1995; the reasons behind this could be that this was the period when South Africa was at its breakpoint in the process to become a democratic state. Between 1993 and 1994 the percentage of national budget spent on education went down from 20.83 per cent to 18.35 per cent. This means a decrease by 2.48 percentage units. After this decrease the percentage was adjusted with an increase of 2.05 percentage units to obtain a level of 20.40 per cent. The temporary decrease has its natural explanations. During this period the country accomplished a fundamental change, considering the abolishment of apartheid. With respect to the turbulent situation in the country the decision to give education less priority should be motivated. The fast adjustment which was made the next period shows that the choice to give less priority to education was a short-term solution. Although the period 1993-1995 meant some changes in the budget, we still want to see that South Africa has followed a relative stable politic regarding the grants to education. Comparing the educational budget and the GDP development shows that for the most resent periods there have been clear augmentations of the GDP while the educational budget have received relatively less means. The decline of the GDP 1984-1985 is not reflected in the educational budget. The same is true for the declines between 1989 and 1992, during this period the educational budget had a positive growth with some fluctuations. This show that even if the country during these periods had a negative GDP development the government still chose to give priority to the school system.

With South Africa's new constitution all children aged 7 - 14 have the right to compulsory education free of charge.<sup>58</sup> This brings requirements of increased grants to cover the higher costs arisen when education becomes available to all children. This could explain the heavy increase in grants to education made during 1994 to 1997. Heavily initial costs were

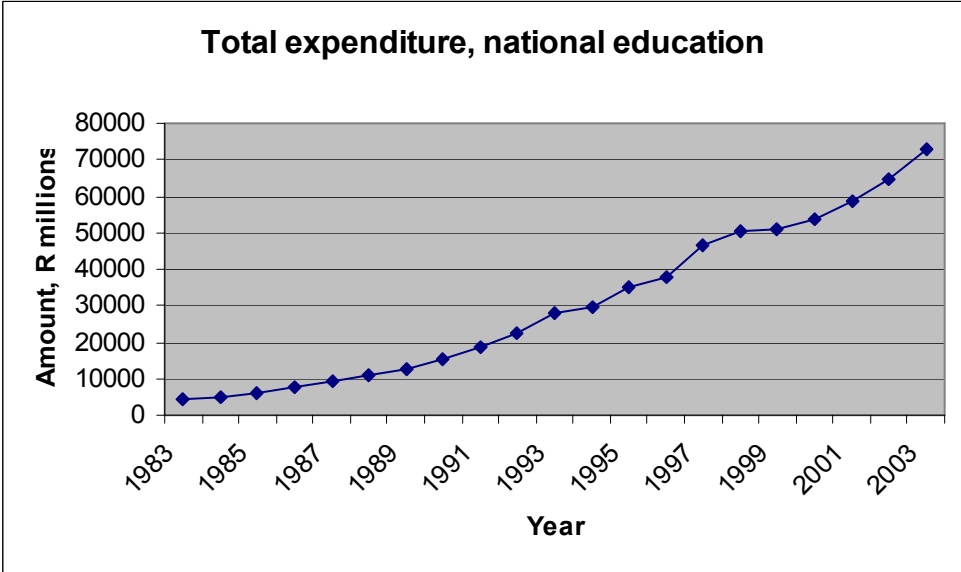
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<sup>58</sup> Utrikespolitiska institutet, *Sydafrika, Länder i fickformat*, 2003, page 7

demanded to develop the new reformed educational system. It is to be hoped that the decreases seen in latest years reflect periods where there have been less need for fundamental investments. The grants have then been adjusted to cover current costs. Important to point out is that these are speculations and above all hopes and expectations from us. If this is not the case the decreases mean that the government in South Africa has given education less priority in the national budget, which would be very unfortunate.

Even if the discussion is not true, the picture does not need to be so dark. If the total amount that was spent on education has augmented, when considering the hampering effect from inflation, this means that there have been greater resources spent on education. Then the school system has been able to develop even though this is not reflected in the policy conducted by the government. To investigate this we use information over the total spending on education and consumer price index.

Figure7:4



Source: South African Reserve Bank, 2005



Figure 7:5



Source: South African Reserve Bank, 2005

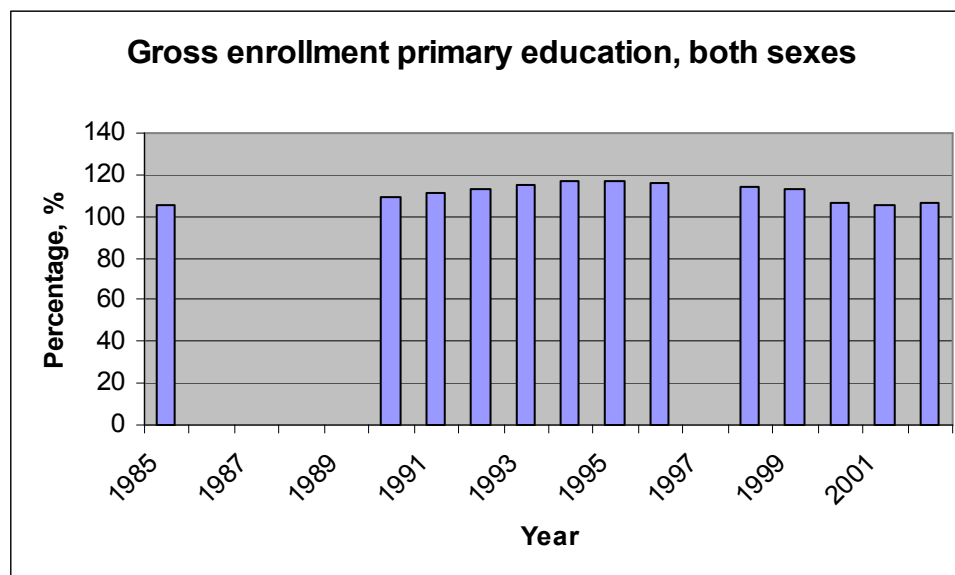
Studying the educational budget one gets a picture that there have been clear decreases in the educational budget from 1997 and forward. When calculating the total amount that was spent on education between 1997 and 2003, with the respect to inflation, this period meant an augmentation of 16.23 percentage units. So, even if the educational budget as part of the total national budget has decreased, there have still been clear resources given to the educational system. For the whole period 1983-2003, the total expenditure on national education in real figures has increased with 49.60 percentage units taking inflation into account.

### 7.3 Education enrollment

We will now present the statistics that we have been able to find concerning the development of enrollment for primary and secondary education. Despite the gaps between the years 1986-1989 and the year 1997, we still consider that we are able to present a relative representative picture over the development of the enrollments for the different levels of education.

### 7.3.1 Gross enrollment primary education, both sexes

Figure 7:6



Source: SPSSA-99 from 1985 to 1996 and UNESCO from 1998 to 2002

Concerning gross enrollment primary education - both sexes, the percentage has been relative stable. Important to note is that the percentage of primary enrollment constantly lies above 100 per cent, which could be interpreted as incorrect data. It is the number of repeaters that gives this picture. The fact that gross enrollment measures how many children enrolled in school and not the number who complete school explains the high percentages.

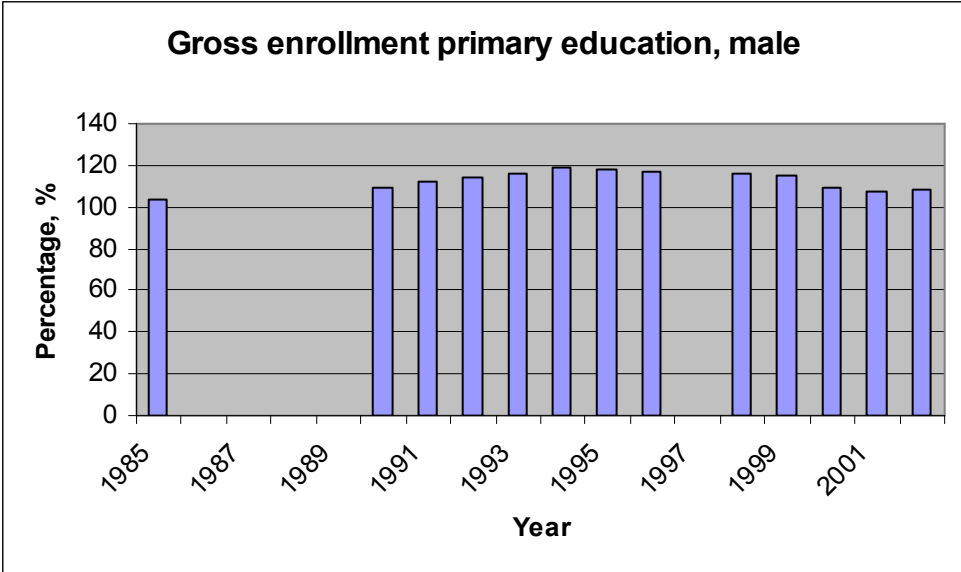
Concerning gross enrollment ratio both sexes one can see a minor peak during the years 1994-1996, during this period the enrollment varied between 116 and 117 per cent. This is interesting though we have observed a decrease in the percentage of the educational budget as part of the total national budget during the period 1993-1994.

Important to note is that the enrollment ratios increased constantly the periods before 1994 and all period of decreases have taken place after 1994. This is an interesting development, does this mean that the democratization process has contributed to a weaker educational system in South Africa or can there be other explanations? Between 1996 and 2002 the primary enrollment both sexes has been in a phase of considerably decline (clearest decreases after 1999). The enrollment ratio has decreased from 116 per cent in 1996 to a level of 106

per cent in 2002. Since we have used data over gross enrollment it is difficult to draw any clear conclusions about the reasons behind this development. It could be that the reduction in enrollment has arisen as a consequence of fewer repeaters, which implies that the actual access to education has increased.

7.3.2 Gross enrollment primary education, male

Figure 7:7

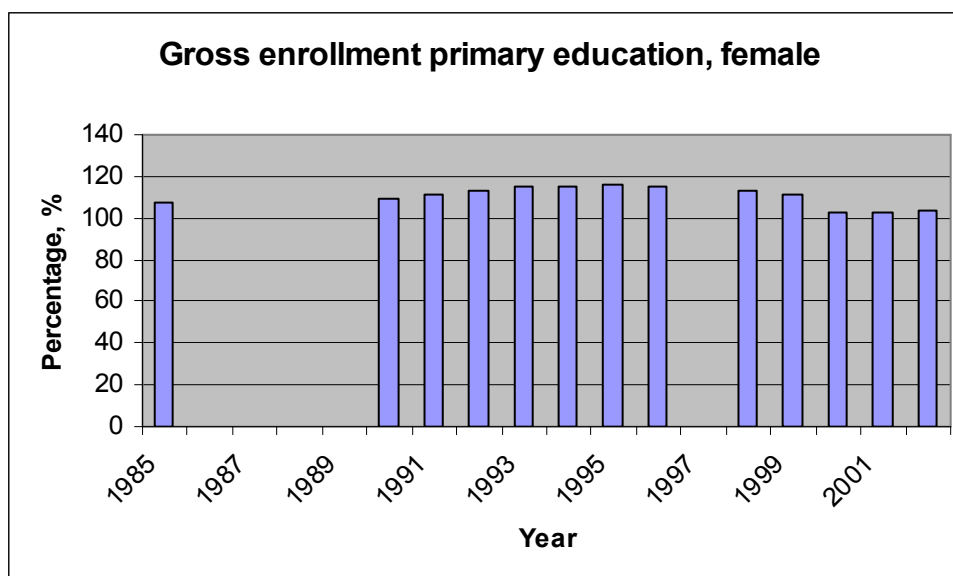


Source: SPSSA-99 from 1985 to 1996 and UNESCO from 1998 to 2002

The development over enrollment both sexes can also be distinguished when only looking at male enrollment. Thus the enrollment figures are higher for male than those including both sexes, implying a gender marginalization in disadvantage for girls. This brings the problem with repeaters to the picture. Should the higher figures for male enrollment be seen as a result of the fact that more boys than girls are enrolled or do these figures reflect a higher amount of repeaters among boys. The lack of information concerning repeaters makes this question hard to answer. Gross enrollment primary education for male reaches a peak in 1994 with 119 per cent. After this peak there is a constant decrease and the last year for our study (2002) the enrollment reaches a level of 108 per cent.

### 7.3.3 Gross enrollment primary education, female

Figure 7:8

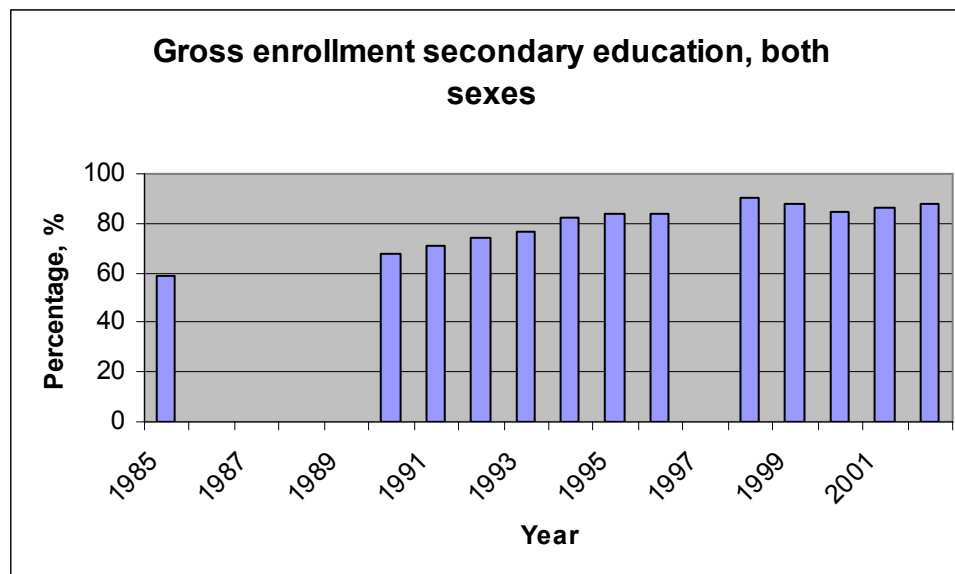


Source: SPSSA-99 from 1985 to 1996 and UNESCO from 1998 to 2002

The pattern for female primary enrollment shows some differences comparing to the one for male. The figures for female are on an observable lower level and the gender representation diversity has expanded from 1998 and forward. The problem with lack of data over repeaters and drop-puts once again makes it hard to draw any clear conclusions about this pattern. The simplest explanation is probable that the girls' participating in the instruction is lower. The interesting thing is that the first year of our observation (1985) girls had a higher enrollment than boys, 107 per cent compared with 104 per cent. For all other years the pattern is the opposite, boys have a higher representation in school. Compared with boys' enrollment of 108 per cent for the last observed year (2002), girls had an enrollment of 104 per cent. The significant decrease in total and male enrollment observed between 1999 and 2000 can also be seen for girls' enrollment and it is even larger for girls. This lower level stays stable for the rest of the period as has been observed for total and male enrollment.

### 7.3.4. Gross enrollment secondary education, both sexes

Figure 7:9



Source: SPESSA-99 from 1985 to 1996 and UNESCO from 1998 to 2002

As one can see the gross enrollment ratios for both sexes on the secondary level have risen during the years from 59 per cent in 1985 to 88 per cent in 2002. It reached its peak in the year 1998 with an enrollment of 90 per cent, the years after one can see a little decrease which has its turning point in 2000 and then it starts to increase again. From 1985 to 2002 the gross enrollment on the secondary level increased with 29 percentage units.

Compared with primary enrollment a remarkable difference is that enrollment for secondary education both sexes never exceeds 100 per cent. If this depends on that the number of repeaters constantly has decreased is hard to say. Apart from primary, secondary education is not compulsory. Since it is not compulsory we assume that drop-outs and repeaters on this level are less frequent. Those choosing to begin their secondary education should in a larger extent fulfill it than those beginning the compulsory primary education, because they have made an active choice to continue their education.

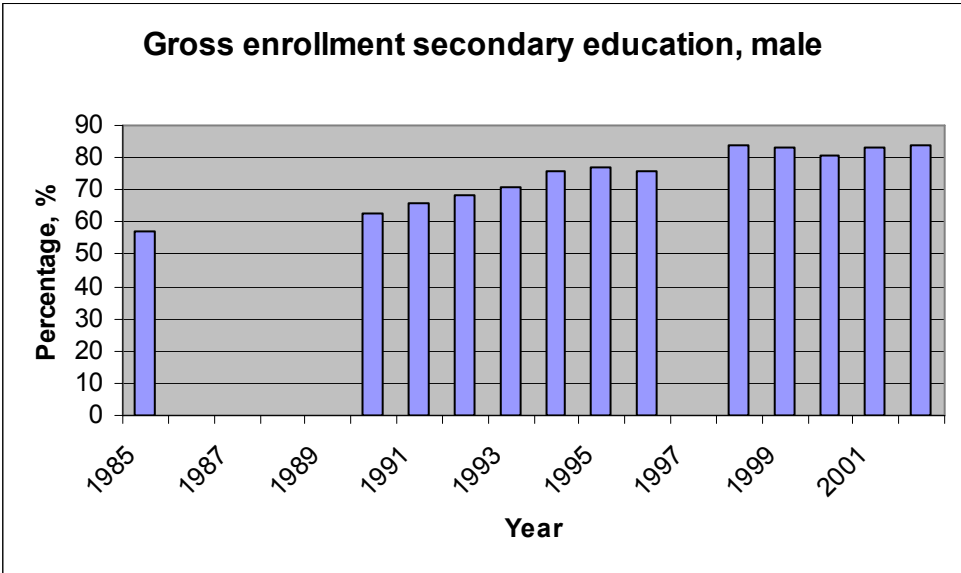
Another important difference between primary and secondary enrollment is in how big extent the different percentages fluctuates. The relative stable trend observable in primary enrollment does not exist for secondary. Instead it has a notable variation with a minimum of 59 per cent and a maximum of 90 per cent. That primary education is compulsory which

secondary is not, we see as a possible explanation behind the clearer variation in secondary enrollment than in primary.

The increases after 1994 are probably explained by black people entering school, since they now had the same right to higher education as other population groups. Yet an important increase also took place before 1994. The explanation to this increase could be found in that the families became more conscious about the importance of education for their children's future. Maybe the augmentation can reflect a change in parents' attitude to education. The riots that took place before 1994 showed that the young population was aware of the power that education can give them. This can be one source to the higher enrollment. The increase during the period after 1994 could also be explained by changed fees or improved prosperity among the people, which in turn results in that more people get access to education imposed with fees. The foundation of NSFAS in 1996 has probably contributed to higher enrollment ratios in secondary education, poor families were now given financial help to put their children in school.

7.3.5 Gross enrollment secondary education, male

Figure 7:10

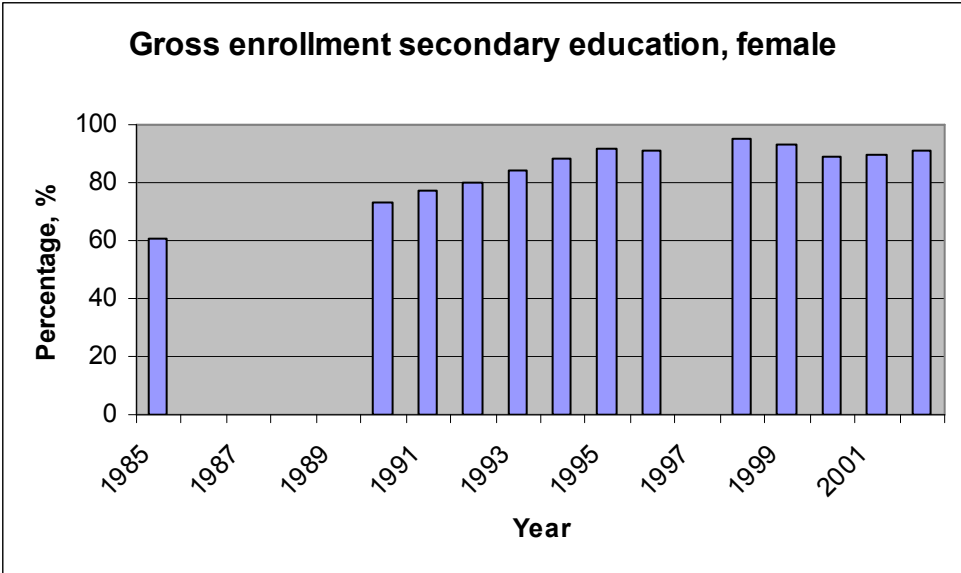


Source: SPESSA-99 from 1985 to 1996 and UNESCO from 1998 to 2002

Concerning the male enrollment on the secondary level one can distinguish the same enrollment pattern as for the gross enrollment for both sexes, a considerable increase. The enrollment development for males has been positive since 1985, even though there was a slightly decrease between year 1998 and 2000 for later on increase again. For the whole there has been an increase in the male enrollment on the secondary level with 27 percentage units from 1985 until 2002.

7.3.6 Gross enrollment secondary education, female

Figure 7:11



Source: SPSSA-99 from 1985 to 1996 and UNESCO from 1998 to 2002

The development of the enrollment ratios for female on the secondary level has been positive, with a peak in 1998 where the gross enrollment reached 95 per cent which is more than the corresponding figure for male which only reached 84 per cent for the same year, in other words a difference of 11 percentage units. After 1998 one can distinguish a little decrease between 1999 and 2000, but after that it has increased again and the most recent measures show gross enrollment figures of 91 per cent in 2002. The total change in female gross enrollment on the secondary level between 1985 and 2002 shows an increase of 30 percentage units. An interesting pattern is that the gross enrollment secondary education for female constantly is higher than the one for male, while the opposite is true on primary level (except from one year).

## 7.4 Race inequalities

The same discussion that is held concerning the importance of having an equal distribution of education between the sexes will we conduct regarding the race aspect. If there are economic profits to be made from not excluding girls from the instruction, some of the arguments should be true in the discussion treating the marginalization of particular racial groups. This is true for all theories except those exclusively treating the effects on the fertility rate, these theories yield for all girls no matter which racial group.

Excluding certain races from the access to education gives crucial social and economic consequences. The country has been deeply marked by the period excluding blacks from education. During apartheid there was a significant segregation in primary and secondary education concerning the four racial groups in South Africa; blacks, coloreds, Asians and whites.<sup>59</sup> Despite the fact that the education has come to be more equally distributed considerable differences still remain. The years after apartheid the educational system had a structure very much like the one of a developing country with considerable inequalities.<sup>60</sup>

### *7.4.1 Race inequalities within education before 1994*

In the study made by M.A. Marais race inequalities within education before 1994 is treated. This paper considers how the situation has developed during apartheid. The years examined are 1970 and 1985.

In this report it is possible to see that there was a hopeful development between 1970 and 1985, but in 1985 the differences between whites and blacks still were considerable.<sup>61</sup>

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<sup>59</sup> Marais M.A., *The Distribution of Resources in Education in South Africa*, 1995, page 47

<sup>60</sup> Ibid

<sup>61</sup> Ibid, page 48



Table 7:1

		Enrollment ratios							
		Blacks		Asians		Coloreds		Whites	
		1970	1985	1970	1985	1970	1985	1970	1985
<b>Primary</b>		65	80	100	100	90	96	100	100
<b>Secondary</b>		10	35	58	95	26	57	84	95

Source: M. A. Marais, *The Distribution of Resources in Education in South Africa*, 1995

In 1970 the primary enrollment ratio for blacks was 65 per cent while the same figure for the white children was 100 per cent. The development between 1970 and 1985 meant that the enrollment ratio for blacks augmented and reached a level of 80 per cent. The ratio for whites was constant. Regarding Asians and coloreds these figures were 100 per cent respectively 90 per cent in 1970 and 100 per cent respectively 96 per cent in 1985. The discrimination of the last two groups are though not as important as the ones regarding the black children.<sup>62</sup>

Concerning the secondary education, blacks had an enrollment ratio considerable weaker than the one for whites. In 1970 the ratio for blacks was only 10 per cent while it for whites was 84 per cent. Asians and coloreds had enrollment ratios which also showed a clear discrimination, with 58 per cent respectively 26 per cent. For the second observation there had been a development and the enrollment ratios were now on levels clearly higher and more equal. The whites' ratio had increased to 95 per cent; the Asians had now a ratio exactly the same as the whites, the coloreds represented a level of 57 per cent. The blacks were still the group the most marginalized with an enrollment of 35 per cent.

Regarding the spending per pupil there have been enormous differences between a black student and a white student.

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<sup>62</sup> Marais M.A., *The Distribution of Resources in Education in South Africa*, 1995, page 48

Table 7:2

Spending per pupil by level of education (R current)

	Blacks		Asians		Coloreds		Whites	
	1970	1985	1970	1985	1970	1985	1970	1985
<b>Primary</b>	21	249	112	937	92	692	366	2044
<b>Secondary</b>	113	552	156	1474	120	1073	624	2504

Source: M. A. Marais, *The Distribution of Resources in Education in South Africa*, 1995

At the basic level, primary education, the spending per black pupil in 1970 was 21 R (current) and the figure for the white child was 366 R (current), an extreme difference. The same spending 15 years later was 249 R (current) for blacks and 2044 R (current) for whites. These figures corresponds to a blacks-whites ratio of 1:17.43 and 1:8.21 for the years 1970 respectively 1985. Similar to the case concerning enrollment ratio the greatest difference is between the black and the white child. Concerning the other groups, the spending ratio coloreds-whites were 1:3.98 in 1970 and 1:2.95 in 1985. Finally the spending ratio Asians-whites were 1:3.27 for the first period and 1:2.18 for the second period.<sup>63</sup>

The ratios for secondary education are the following. Blacks-whites ratio was 1:5.52 in 1970 and 1:4.54 in 1985, a minor improvement taking into account the number of years that had passed. The Asians had less discriminating figures with Asians-whites ratios of 1:4.00 in 1970 and 1:1.70 in 1985. This change was clearly more significant then the one regarding the blacks-whites ratio. For the last group, coloreds-whites, the figures were 1:5.20 in 1970 and 1:2.33 in 1985 years, this case also means a clear improvement.<sup>64</sup>

The development for primary education before 1994 is positive for the blacks and the coloreds, clearest improvement is seen for the black population. Regarding Asians and whites, these two groups had a constant enrollment of 100 per cent. Data over spending per pupil shows the same pattern. The black population is the most discriminated followed by the coloreds. Asians are still marginalized but in a significant lower extent that the other two

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<sup>63</sup> Marais M.A., *The Distribution of Resources in Education in South Africa*, 1995, page 48

<sup>64</sup> Ibid

groups. The spending per pupil among the white population is extremely higher compared with the other groups.

Secondary education shows an overall augmentation of the enrollment for all groups. The clearest improvement is seen for the Asians which in 1985 had an enrollment at the same level as the whites'. The coloreds show a significant increase, the blacks had as well an improvement but had still an extreme disadvantage in the enrollment ratio compared with the other groups. Whites represent the least augmentation, but this group is also the one having an enrollment in 1970 far in advance of the other groups. The development in the spending per pupil at this level shows a pattern of extreme discrimination of the black students, a clearly better situation for the coloreds, Asians on an even better level and whites with far more economic resources.

#### *7.4.2 Race inequalities within education after 1994*

In this section our purpose is to see if there still are any race inequalities within the educational system, which groups it promotes and discourages. This is an important issue to include since the apartheid politic now is abolished and equality between races should exist. Since some groups have been treated unfairly during the apartheid era, it is also interesting to see if any actions have been carried out to boost the education quality for these groups. The data used to investigate this is information over learner-educator ratio (LER) in primary and secondary school from year 1996 and 2000 divided over racial groups.

The situation in South Africa today is still that black people constitute a major part of the country's poor.<sup>65</sup> Therefore it is of great importance that the government improves the quality of the education offered to the black citizens. This because education is a crucial factor when it comes to combat poverty. Even if the education of today is not divided between different racial groups, segregation in the society is a fact. There are areas more or less totally inhabited by one group. Since the poor because of too high costs of living, can not afford to live in areas where the education quality is high (often former white areas), they are forced to stay in areas with low quality schools (often former black areas). This undermines their possibilities to find

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<sup>65</sup><http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/SOUTHAFRICAEXTN/0,,menuPK:141132~piPK:141107/~theSitePK:368057,00.htm>

their way out of poverty. In the long run, if these inequalities in the educational quality endure, education might make the blacks stacked in a poverty trap.<sup>66</sup>

Table 7:3

**Learner - Educator Ratios by population group**

Year	African		Indian		Coloreds		Whites	
	1996	2000	1996	2000	1996	2000	1996	2000
Primary	36.211	31.465	27.753	32.806	28.736	29.996	26.151	25.790
Secondary	31.975	31.052	23.415	30.447	23.196	30.157	22.329	24.203

Sample means are shown by population groups

Source: Futoshi Yamauchi, *Race, equity and public schools in post-Apartheid South Africa: Equal opportunity for all kids*

In 1996 the African population group had the highest LER on the primary level with a LER of 36.21 (one teacher had 36.21 pupils) and whites had the lowest with a LER of 26.15. Between the years 1996 and 2000 the figures have changed, the LER for Africans has decreased with 4.75 to a LER of 31.47. The figures for the whites did decrease with 0.36 to 25.79. Worth mentioning is that the figures for coloreds and Indians did increase with 1.26 from 28.74 to 30.00 respectively 5.06 from 27.75 to 32.81.

The changes between the years on the secondary level are even more significant; on this level the LER for the Africans decreased with 0.93 from 31.98 to 31.05. What is interesting when looking at the changes on the secondary level is that for all groups except for Africans an increase can be distinguished. The Indian group once again represents the clearest change, with an increase in the LER of 7.03. When examining these figures it is interesting to know that the government reached an agreement in 1995 concerning education. The aim was to reach a LER of 40 to 1 on the primary level and 35 to 1 on the secondary level within the five years to come.<sup>67</sup> When examining the LERs shown in table three they shows that this goal already was reached. Important to note here is that the sample in the table shows mean figures and that it does not exclude that in some cases the LER could be higher than 40 to 1. The

<sup>66</sup> Yamauchi F, *Race, Equity and Public Schools in Post-Apartheid South Africa: Equal Opportunity for All kids*, 2004, page 214

<sup>67</sup> Yamauchi F, *Race, Equity and Public Schools in Post-Apartheid South Africa: Equal Opportunity for All kids*, 2004, page 214

governments aim was probably that there should not be any cases where the LER exceeds 40 to 1 or 35 to 1.

In general when looking at these figures one can distinguish a redistribution of resources from secondary level to primary level with focus on the African group. This group has had the largest decrease in LER on primary level and the only decrease in LER on the secondary level. Despite the abolishment of apartheid in 1994 in benefit of a more equality oriented politics, the whites still have the lowest LER on both levels. It is obvious that focus has laid on lowering the LER within the black group and those who have paid the most for this are the colored and the Indian groups. The conclusion reached when examining these figures is that the educational quality for the African population has been improved, mostly in disadvantage for the colored and Indian groups.

## **8. DISCUSSION AND THOUGHTS ABOUT THE FUTURE**

*In this chapter further development of the discussion founded in chapter seven will be presented. We will try to find and explain the changes in grants to education and enrollment rates for the different aspects we have chosen to examine. We will also try to find alternative explanations to development we find surprising. Our speculations about the future development and challenges for the educational system in South Africa will also be explained.*

### **8.1 Discussion**

South Africa has accomplished the process from being an apartheid regime to become a democratic state. This has transformed the educational system dramatically, on the paper. Several policy documents treating the importance of education have been published by the government. What these papers and the politics behind them have meant in reality is what we have tried to examine in this thesis, if the democratization process has contributed to changes which have improved the access to education for all population groups in South Africa.

We consider the educational budget as part of total national budget to reflect the policy conducted in the country. Comparing the first with the last year of our period to study (1983-

2003), the educational budget as part of the total national budget shows an overall increase. Although we can see a constant decrease after the peak in 1997, the same year as the new constitution was put into force which probably demanded a large amount of resources. Increasing the educational budget had a clear priority between the years 1991-1997 with exception for the year 1994. The significant decrease in 1994 we found easily explained by the turbulent situation in the country at this time, at this break point in the country's history. The educational budget as part of the total national budget increased the years before the apartheid government's fall, with the most significant increase between 1990 and 1992. This fact we construe as a strategy used by the government with the aim to retain the power. Referring to the situation with overcrowded schools for the blacks in 1990, this forced the government to take actions to partly solve the situation. The black population had realized their extreme marginalization and therefore the government partly complied with their demand to win sympathizers. The overall picture is after all that the educational budget as part of the total national budget has lied on a higher level the years after the abolishment of apartheid than before, even though most periods of decreases have taken place between 1997 and 2003.

The decreases after 1997 in the educational budget as part of the total national budget indicate that education has been given less priority compared to other areas of expenditures. There can be several causes behind this and we can only speculate over this fact. Hopefully the government during the years 1991-1997 was able to transform and lay the ground for a school system which now is more stable and autonomous. Therefore the resources now can be used more efficiently. The question is how probable this is, reconstructing an educational system should demand a longer implementation period. More realistic is that the observed decreases after 1997 simply reflect that other areas of expenditure now are given higher priority than before. This could be explained by the situation in the country after 1994 when the whole society was in a revolutionary phase. The whole framework and all institutions in the society were in need of a reconstruction. It is therefore positive to see that education was given such a high priority the first years after 1994.

Even though the years after 1997 indicate a decrease of the educational budget as a part of the total national budget, the grants to education have increased in real figures. This implies that the amount of means disposed to education has increased and that further development of the educational system has been possible. We would like to distinguish these two sources of facts;

educational budget as part of total national budget and the total amount spent on education. The changes in the former give us guidance to the political attitude towards education and the latter gives indications of the economic possibilities given to education. Now when the educational system is given clear resources, the development of the schools depends on the people within the organization. The possible further development depends on how the resources are taken care of. It is important that an active resource allocation is conducted to be able to reach the highest possible utility.

If the increased grants to education have contributed to an increase in enrollment rates is hard to tell. The lack of information over drop-outs and repeaters has been a problem through the work with this thesis and it makes it harder for us to draw any certain conclusions. The gross enrollment for primary education has decreased after year 1995. If we take the stand point that the numbers of repeaters and drop-outs have been relative stable we find this development very odd. With the fall of apartheid in 1994 and the new constitution which came into force in 1997, all children were given the same rights. This means that black children are now supposed to have the same rights in the same extension as other children. This should have meant an increase of the total enrollment, now when no child by strategically means was excluded from the access to education. Considering that the blacks constitute the major part of the country's population, the development observed after 1997 is strange. According to us, there should be other explanations to the drop in enrollment.

We now take the stand point that there has been a variance over the numbers of repeaters and drop-outs. On the paper South Africa conducted an active educational politic after 1994, this may have given clear and early results on the number of drop-outs and repeaters. Assume that resources were allocated to help children with difficulties and to inform parents about the importance of education for their children. This could explain the diminishing figures over enrollment. If the school politic during these years (1995 and forward) actively was driven with a clear target to help children to accomplish their education, then the decreasing numbers over enrollment can be seen as an indicator of higher quality with fewer repeaters and drop-outs. This could mean that the enrollment ratios in reality have increased. If this is not the case, it is very regretful to see that there have been fewer children in school after the fall of apartheid.

The simplest explanation and maybe the most natural one is that the decreases in primary enrollment reflect the decreases in the educational budget as part of the total national budget which have been observed the latest years. A clear decrease in primary enrollment started in 1995 (no data over 1997) and the same pattern appeared concerning the educational budget as part of the total national budget after 1997. The policy documents published by the government have given us a picture of a priority to education and with this background we search other explanations, as the one treating fewer repeaters, to the decreasing figures over primary enrollment.

Concerning primary education it would be desirable to see a reduced gender inequality. An extended access to primary education for girls means that they will face a higher productivity within their cultivation activities and that their possibilities to participate in the formal sector's labor force increase. This discussion is made with reference to the theories treating native abilities and productivity effects.

Our arguments which give support to an active educational policy supporting the children could explain the variation of the figures concerning secondary enrollment. There has been a constant growth of the enrollment in secondary education. The higher rates after 1994 could be the result of the politics conducted concerning primary education that we have reasoned about. If children have been motivated and received help to accomplish primary education this should augment the likelihood that they commence secondary education. This could also explain why the secondary enrollment has increased while the educational budget as part of the total national budget has decreased. If a decreased amount of repeaters and drop-outs explain the decline of enrollment rates in primary education, it indicates an improved quality of the instruction on this level. Higher quality on the primary level should not just encourage more pupils but also their parents to let their children continue education on secondary level. The improved education on primary level also indicates that the pupils are better prepared and more able to accomplish secondary education. The foundation of NSFAS, the financial aid for students, could explain the higher enrollment ratios in secondary education after 1996 when it was founded. Since primary education became free of charge for all children with the new constitution, the result of NSFAS should be seen at secondary and tertiary level.

Another fact that could give support for the increase in enrollment observed in secondary education is that the educational budget in real figures has increased consistently, taking



inflation into account. The larger resources may also explain that the difference between the gender representations has decreased the latest years. The grants may have been distributed to an active work, with the aim to assure the students' continuation to secondary education and to reduce the gender disparity.

According to Dollar and Gatti there is a positive liaison between women's secondary education and economic growth whilst the opposite liaison is true for men's secondary education. The theory also says that this liaison only is seen in countries where the female secondary educational enrollment is high. This implies that this theory is applicable on South Africa since they have relatively high female educational levels compared to those for male. When evaluating the enrollment ratios for female and male secondary education we find that the enrollment ratios for women clearly are higher than those for male during the whole period examined. Since the effects of investments in education are shown in the long term this could be one of the reasons behind the positive development of the country's economic situation the latest years. This implies that furthering female education will continue to boost the economic growth.

If we assume that the pattern of wage discrimination observable in industrialized countries, which is that women need higher education than men to reach the same wage level, also is true for South Africa. This could be one reason behind the higher enrollment ratios in secondary education for girls. If girls need higher education than boys to receive the same wage, they will also need secondary education in a larger extent. Yet this argument could only be applied on those who can afford to continue to secondary education.

Another explanation behind the higher rates for female secondary education could be that when the parents make the controversial decision to give their girl the possibility to education, they have made the statement that education is important to the child. Thus they make sure she will get complete education. If our argument holds it is important to make parents aware of the importance of girls' education. This means that they get a private return to their investments costs. It is important to make the family conscious about the possible profits by enrolling their children in secondary education. If the parents only give the girl primary education they will in fact face an economic loss. On the other hand there will be social returns in benefit for the society which could mean an indirect profit for the household due to

an improved economic situation in the country. This discussion is made with reference to Todaro and Smith's theory concerning private and social costs and returns to education.

One positive effect we like to see as a result of the higher enrollment rates for female secondary education after 1994 is that the fertility rate goes down and infant health can be improved. It should be the secondary education which can have the greatest impact on young mothers because it covers the first fertility years for a girl. But also because as her educational level increases her self-consciousness will increase and she will be more aware of which alternatives she will face if she postpones marriage and motherhood. Thus it is important that continuing to secondary education becomes the best alternative. Otherwise it is quite probable that girls end up like young mothers with many children, with poor health whom are given bad opportunities to good education. This implies that girls' secondary education is not only important to the girl herself but also for generations to come, like the multiplier effect discussed by Todaro and Smith. The relationship that can be seen between a mother's educational level and the level of education of her child can not be seen between a father and his child. From this point of view it is important for future generations to promote female education. As mentioned above the blacks constitute 79.4 per cent of the population and about 40 per cent of the 19 year old black and colored girls in South Africa are mothers. This implies that the effect of reduced fertility as a result of increased female education ought to be greater among this group than among the other population groups. This underlines the importance of furthering female education especially among the black and to some extent also the colored population. This discussion is made with reference to the study made by Summers (1994) mentioned above, which show a relationship between the African women's completed primary education and reduced fertility.

The apartheid regime had as a main target to marginalize the black population from economic and political activity. This is clearly shown in the data from the period before 1994. As mentioned earlier the black students conducted campaigns with the parole "knowledge is power". The extended education for blacks between 1970 and 1985 could have meant that the apartheid regime itself contributed to the fall of the system. Apparently the schools between 1970 and 1985 became more open for the black students. More black children in school meant that they became aware of the extreme marginalization they were exposed to. The children that had access to education could deliver this insight to others and the movement against apartheid could by this start to grow.

As treated in section 3.1, the municipal law was reformed in 1983 to give coloreds and Asians access to education in the same extension as the whites. Data shows that this condition was fulfilled for Asians already in 1970. Asians kept their level of a 100 per cent enrollment ratio for primary education in 1985, the same level as the whites'. Coloreds had a different development, regarding primary education they were close to the whites' enrollment ratio in 1985. Concerning secondary education they had an enrollment ratio at a significant lower level than the whites' which despite this meant an increase from 1970 to 1985. The municipal law had as a target to reduce the marginalization of the Asian and the colored population during apartheid. The results were positive and the government succeeded regarding the Asian population group and made some progress for the coloreds. This is a clear positive development but the largest population group in South Africa, the blacks, continued to be clearly marginalized although progress was made. We have had hard to understand the reasons behind the positive development of blacks' enrollment. No papers that treat targets for an extended access for blacks to education have been found. An improved participation of blacks in the instruction should not have been desirable for the apartheid regime, since education has an essential role for the individual's wellbeing.

From an economic point of view we see it very regretful that apartheid hindered the country's potential to develop. Economic theories linking marginalization to reduced economic growth implies that the country's economic situation today probably would have looked different and better if the apartheid politics had not been conducted. The strong economic development in the country after the apartheid government's fall shows the country's economic potential and implies that the future can bring further economic growth. Naturally we also see the apartheid politics conducted regretful from a human point of view.

Assuming that a decrease in the LER (meaning fewer children per teacher) demands more money. Whether connecting the changes in LER to the development of the educational budget as part of the total national budget or to the development of the total educational budget gives two alternative explanations. The overall development of the LER shows an increase, which could be interpreted as if education has been given less money for the whole period. This development could be the result of the decreases seen after 1997 in the educational budget as part of the total national budget, which indicates that education has been given less priority. Important to take into account in this matter is that the basic conditions vary between the different population groups, which foremost probably is due to regional differences. In

regions predominantly inhabited by white people, excluded from the negative educational marginalization during apartheid, the educational system is ought to be well developed and integrated in the local society. This implies that less money need to be spent on developing the schools to reach an acceptable level of quality. The reverse discussion could yield for black people. This could mean that an increase of say 1.0 of the whites' LER does not necessarily account for the same amount of money as a decrease of 1.0 among the blacks. Regions predominately inhabited by black people are probably in need of heavy initial costs to construct and develop a functioning educational system. The total educational budget in real figures has increased with 16.75 percentage units between 1996 and 2000, taking inflation into account. Connecting this with the development of the LER implies that even if the trend in the changes in LER indicates an increase, less money disposed to education is probably not true. Instead, an increase of the resources disposed to education and a redistribution of the existing ones in advantage for blacks can be seen.

Looking at the LER ratios for the different groups it is clear that focus has laid on improving the quality of primary education for black children. If an improved quality means that the enrollment rates for black children increase, then the negative development over total primary enrollment between 1995 and 2001 is strange to see. The black population constitutes 79.4 per cent of the country's total population, an increase in the enrollment of the blacks ought to be seen in the total enrollment. Information concerning drop-outs and repeaters could explain this contradictory development. Improved quality could also mean that the numbers of drop-outs and repeaters have decreased. If this is true then the decreases in enrollment seen the latest years are expected.

If a decreased LER could be connected with an improved quality and an increased amount of pupils completing primary education then positive effects could be seen. Since the LER of blacks' primary education shows an important decrease, the inequalities between the population groups are reduced. These reduced inequalities mean that the labor force's skills and knowledge are improved which implies that it has a higher productivity.

Focusing on primary education could also be a strategy in the combat against HIV/AIDS. South Africa struggles with a heavy HIV/AIDS epidemic. If no actions are taken to hold back the HIV/AIDS epidemic it will have even more devastating consequences for the further development of the country. As mentioned in the introduction, education is a crucial factor to

hamper the dispersion of HIV/AIDS. When studying the different policy documents it is clear that the government has understood the important role education has for this issue. According to Todaro and Smith investment in female education give rise to effects of improved health of their children. If improved health includes that the children become ill in HIV/AIDS in a less extent, furthering female education among population groups where the probability of getting HIV/AIDS is bigger is an issue of great importance. Another important HIV/AIDS related question is that teachers often get to take over the responsibilities of orphans who have lost their parents due to HIV/AIDS. The society needs to develop institutions to take care of these children so that the teachers can focus on the instruction in school.

## **8.2 Future development and challenges for South Africa**

Further promoting education in South Africa, especially among population groups for which education is not a matter of course, is a crucial issue for the future development of the country. The country needs to actively inform parents about the meaning of further education for their children. Though further education in opposite to primary education not is compulsory parents need to realize that the resources invested in their children's schooling will be profitable. With the background of apartheid, increasing the skills of the young black population in South Africa will help the country to reach higher living standards. Since the private utility of education increases on higher levels of education while the social profit of education increases on lower levels of education, this may imply that the government sees that promoting primary education would be sufficient for now. We can here see a clear role for Non Governmental Organizations' (NGO), to inform both the pupils and their parents about the importance that the children for their own sake do continue to higher levels of education. This would also in the long run help the country to become a high income country.

Giving focus to the primary education is a prerequisite to have a good quality on the secondary and tertiary levels. There is no use staking money on a higher level if the quality on the lower one is so poor that the pupils are so bad prepared that they will not profit from it anyhow. With support from economic theories linking education inequalities to GDP we would like to see that improving primary education could be seen as part of a strategy which aim is to develop the country to become an industrialized or high income country. South Africa's next natural step in the strategy ought to be to focus on improving the secondary education so that more pupils could be passed through to tertiary education. Improved

productivity and knowledge of the labor force would in the extension mean trade with services and sophisticated commodities.

Besides from actions exclusively directed to the educational system, actions affecting the labor market also need to be taken. It is important for South Africa to reduce their unemployment rate and make sure that the labor market works efficient. Educated people should be put on positions corresponding to their qualifications and most important is that they do not face unemployment. Thus the labor market needs to work in an optimal way and absorb the educated people so they experience that their investment in education is profitable. This is an important issue for the country to consider assuming that people make rational choices given perfect information about the alternative cost for their options. Put in other words; people will invest in education if they can see that the cost of not doing so is higher in the long term than the actual cost of education. To be able to consider returns to investment in the long term, the person's horizon need to be more than just surviving the day. The abolishment of this kind of deep poverty is necessary for education to reach the most vulnerable group in the society.

Now when all people in South Africa on the paper have the same right to education, it is the government's responsibility to take actions so that all people face a real chance to experience this right. Since apartheid prevented the black population to get education actions aiming to improve the blacks' possibilities to education in real life are of extreme importance. There are social and economic profits to be made by this kind of actions. The theories linking reduced inequalities in education to economic growth should also be motivating to the government to implement these kinds of actions. To reduce the differences in the South African society's everyday life, improving the education for the black population ought to be one of the main goals.

## **9. CONCLUSIONS**

Through this thesis we have examined if the South African democratic election in 1994 has contributed to an extended and more equal access to education among the different population groups. Collecting data over the national educational budget made it possible to connect this

information to the development of the gross enrollment ratios divided by gender, race and educational level and to the parameters spending per pupil and LER by level and population group.

We found that there has been an overall increase in the educational budget as part of the total national budget if comparing the beginning (1983) with the end of the period (2003). After 1997 there have been constant decreases of this measurement. The total amount of grants to education has constantly increased, taking inflation into account, meaning that greater means have been accessible to the educational system. The conclusion we reach is that education was more prioritized in the early years after 1994 than the later years. Still it has a clearer role in the total national budget now than before 1994.

Studying the gross enrollment ratios for primary and secondary education we can distinguish the following pattern. Concerning primary education an increase in enrollment is seen until 1995 and thereafter a period of decline follows. Lack of information regarding repeaters and drop-outs makes it hard for us to say whether this means an overall increased access or not. The gender diversity has also increased in disadvantaged for girls. Comparing the years before 1994 with the ones after indicates that the gross enrollment ratios were on an overall higher level the years when South Africa was run by the apartheid regime. Secondary enrollment has in opposite to primary represented a higher level after 1994 than before. The gender representation diversity for this level is significant but has decreased the latest years, in profit for boys. The gross enrollment ratios tell us that South Africa only follows the stereotype pattern for developing countries, discriminating girls in education, when it comes to primary education.

Our question regarding the race marginalization has been very difficult to answer. Extreme lack of information only allows us to draw the following conclusions. Before 1994 there has been a positive development with a decreasing rift between the population groups when looking at spending per pupil and enrollment for both primary and secondary education. No data after 1994 tells us whether the access to education has become more equal among the population groups. Though after 1994 a clear focus on improving the quality of foremost the primary but also of the secondary education for black children is seen. This by decreasing their LER. Still there is an important rift between the black and the white population.

Finally, the inequalities within the country are still considerable. Despite of this, taking the policy paper found and the data we have used into account we still like to see that efforts have been made to extend the access to education in South Africa for all population groups.



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## APPENDIX

### GDP at constant 2000 market prices, R millions

Year	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
GDP	682778.9	717594.3	708900.4	709027.1	723921.8	754327.3	772391.8	769937.4	762097.5	745811.2	755011.1
real change		34815.4	-8693.9	126.7	14894.7	30405.5	18064.5	-3454.4	-7839.9	-16286.3	9199.9
change as percentage unit		5.10	-1.21	0.179	2.10	4.20	2.39	-0.317	-1.02	-2.14	1.23

Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
GDP	779429	803713	838327	860516	864968	885365	922148	947373	981102	1008649
real change	24417.9	24284.4	34613.5	22189.0	4452.1	20397	37780	25225	33729	27547
change as percentage unit	3.23	3.12	4.31	2.65	0.52	2.36	4.27	2.74	3.56	2.81

Source:South African Reserve Bank, 2005

### Educational budget, R millions and per cent of total national budget

Year	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
total expenditure	4348	4977	6157	7601	9327	10886	12625	15408	18886	22505	27737
per cent	17.72	17.1	17.43	18.12	18.27	18.25	17.57	17.7	19.13	20.29	20.83

Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
total expenditure	29756	34878	38037	46568	50417	50819	53451	58891	64585	73028
per cent	18.35	20.4	21.22	21.96	21.34	20.61	20.28	20.42	20.15	19.54

Source:South African Reserve Bank, 2005

### Annual growth of the national education budget 1983/1984 - 2002/2003 in percentage units

Year	83/84	84/85	85/86	86/87	87/88	88/89	89/90	90/91	91/92	92/93
Percentage units	-0.62	0.33	0.69	0.15	-0.02	-0.68	0.13	1.43	1.16	0.54

Year	93/94	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03
Percentage units	-2.48	2.05	2.87	0.74	-0.62	-0.73	-0.33	0.14	-0.27	-0.61

Source:South African Reserve Bank, 2005

### Consumer prices of goods, 2000 index year

Year	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
Index	14.63	16.14	18.81	22.62	26.71	30.58	35.22	40.66	47.58	55.37	61.12

Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Index	66.82	71.78	76.22	82.39	87.34	92.68	99.99	105.62	116.38	122.98

Source:South African Reserve Bank, 2005

## Gross enrollment primary education, per cent

Year	1985	1986	1987	1988	1989	1990	1991	1992	1993
Both sexes	105	no data	no data	no data	no data	109	111	113	115
Male	104	no data	no data	no data	no data	109	112	114	116
Female	107	no data	no data	no data	no data	109	111	113	115

Year	1994	1995	1996	1997	1998	1999	2000	2001	2002
Both sexes	117	117	116	no data	114	113	106	105	106
Male	119	118	117	no data	116	115	109	107	108
Female	115	116	115	no data	113	111	103	103	104

Source: SPSSA-99 from 1985 to 1996 and UNESCO from 1998 to 2002

## Gross enrollment secondary education, per cent

Year	1985	1986	1987	1988	1989	1990	1991	1992	1993
Both sexes	59	no data	no data	no data	no data	68	71	74	77
Male	57	no data	no data	no data	no data	63	66	68	71
Female	61	no data	no data	no data	no data	73	77	80	84

Year	1994	1995	1996	1997	1998	1999	2000	2001	2002
Both sexes	82	84	84	no data	90	88	85	86	88
Male	76	77	76	no data	84	83	81	83	84
Female	88	92	91	no data	95	93	89	90	91

Source: SPSSA-99 from 1985 to 1996 and UNESCO from 1998 to 2002

