

EDUCATION POLICY TO PROSPECTS OF A DEVELOPMENTAL STATE IN SOUTH AFRICA

By

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*“Thesis presented in partial fulfilment of the requirements for the degree Master of Public
Administration at the University of Stellenbosch”*



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December 2011

DECLARATION

By submitting this thesis electronically, I declare that the entirety of the work contained therein is my own, original work, that I am the owner of the copyright thereof (unless to the extent explicitly otherwise stated) and that I have not previously in its entirety or part submitted it for obtaining any qualification.

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ABSTRACT

The relevance of education to economic growth has been widely debated. The thesis argues that education is the core factor in knowledge and skills provision, which assist in production and economic growth and serves as a foundation to the realization of a developmental state. The thesis looks at the prospects of South Africa constructing a developmental state against its education system. The aim was to look at whether education policy in South Africa assists its quest to construct a developmental state.

The research is guided by the specific research questions that wanted to look at different literature on what a developmental state is and what characterizes it. It further looked at whether education influences the construction of a developmental state and whether in South Africa education is responding well to the quest of constructing a developmental state.

The study depends heavily on literature review, comparative study and interview. The literature study conceptualized and also presented characteristics of a developmental state from the perspective of Japan, South Korea and Taiwan (The Asian Tigers) and the South African context. Japan and South Korea's perspective was compared with the South African one. The literature review also indicated the role of education in economic growth.

The findings of this research from the comparative analysis indicated that South Africa is taking a totally different approach in its process of constructing a developmental state. Its process is underpinned by democratic values, non-industrialization approach, weak bureaucracy and interventionist approach. The process of constructing a developmental state is supported by various mechanisms and policies such as the New Growth Path (NGP). The challenge with the NGP is that it conceded to the fact that there is a serious need to improve in education and levels of skills in the country as they are a fundamental prerequisite for achieving many of the goals in the growth path. The contention is that both basic and higher education must equip all South Africans to

participate in the country's democracy and economy and must do more to meet the needs of national and international development imperatives. Again, the success of the NGP depends on major improvements in education (both basic and higher education) and skills levels which education is presently not providing. Education and skills are preconditions that should prepare South Africans to participate in economy so that the country should realize "broad-based development" through any means that will ensure economic growth. However, the education system and the skills based in the country are not responding well to assist in the fully realization of the NGP. This has negative effect to the prospects of growing the economy.

The research highlights the relevance and role education plays in the economic development of a country. It highlights the challenge South Africa is faced with in its quest to construct a developmental state particularly with its education policies. With education being regarded as a significant propeller of economic growth, South Africa falls short in comparison to other countries, particularly the Asian Tigers. South Africa falls short mainly in the provision of education that provides the skills required in the modern economies. This means that there is a gap the education system in South Africa is failing to fill. Therefore the prospects of constructing in a developmental state in South Africa will continually face challenges if the education system within the country is not turned around to provide for the required skills.

OPSOMMING

Die verband tussen onderwys en ekonomiese vooruitgang is al deeglik gedebateer. Hierdie tesis voer aan dat onderwys die kernfaktor is in die voorsiening van kennis en vaardighede wat vervaardiging en ekonomiese vooruitgang aanhelp en dien as die grondslag vir die totstandkoming van 'n ontwikkelingsstaat. Die tesis kyk of dit moontlik is vir Suid-Afrika om 'n ontwikkelingsstaat tot stand te bring met sy huidige onderwysstelsel. Die doel was om te sien of die huidige onderwysbeleidsrigting Suid-Afrika kan meehelp in sy soektog om 'n ontwikkelingsstaat daar te stel.

Die navorsing word gerig deur spesifieke navorsingsvrae wat verskillende literatuur ondersoek het om te bepaal wat 'n ontwikkelingsstaat is en hoe dit gekarakteriseer word. Dit kyk ook verder of onderwys die daarstelling van 'n ontwikkelingsstaat beïnvloed en of Suid-Afrika se onderwysstelsel goed reageer in strewende na die daarstelling van 'n ontwikkelingsstaat.

Die studie steun sterk op die beskouing van literatuur, vergelykingstudies en onderhoude. Die literatuurstudie het 'n begrip en kenmerke van 'n ontwikkelingsstaat vanuit die perspektief van Japan, Suid-Korea en Taiwan (Die Asiaatiese Tiere) en die Suid-Afrikaanse verband voorgelê. Japan en Suid-Korea se perspektief was vergelyk met die van Suid-Afrika. Die literatuur beskouing het ook die rol van onderwys in ekonomiese vooruitgang aangedui.

Die bevindings van hierdie navorsing nadat 'n vergelykende analise uitgevoer is, het aangedui dat Suid-Afrika 'n heel ander benadering volg in sy ontwikkelingsstaat daarsetellings proses. Die Suid-Afrikaanse proses word ondersteun deur demokratiese waardes, nie-nywerheidsbenadering, swak burokrasie en 'n intervensionistiese-benadering. Die proses tot 'n ontwikkelingsstaat word ondersteun deur verskeie meganismes en beleidsrigtings soos die nuwe groeibaan (New Growth Path [NGP]). Die uitdaging met die NGP is dat dit alreeds onderskryf het dat daar 'n ernstige behoefte is aan 'n verbeterde onderwysstelsel en vaardigheidsvlakke in die land, want dit is

grondvereistes om baie van die doelwitte in die NGP te bereik. Die standpunt is dat beide basiese- en hoërondewys alle Suid-Afrikaners sal moet toerus om deel te neem in die land se demokrasie en ekonomie en sal meer moet doen te voldoening aan die behoeftes van nasionale en internasionale ontwikkelingsnoodsaaklikhede. Weereens, die sukses van die NGP maak staat op groot verbeterings in die onderwysstelsel (beide basiese- en hoërondewys) en vaardigheidsvlakke wat die onderwysstelsel tans nie verskaf nie. Onderwys en vaardighede is voorvereistes om Suid-Afrika voor te berei om deel te neem in die ekonomie en derhalwe die land in staat te stel om “breed-gebaseerde ontwikkeling” te bereik op ‘n manier wat ekonomiese vooruitgang verseker. Die land se onderwysstelsel en vaardigheidsbasis reageer egter swak om die volle bereiking van die NGP te ondersteun. Dit het ‘n negatiewe uitwerking op die vooruitsigte van ekonomiese vooruitgang.

Die navorsing lig die belangrikheid en die rol wat onderwys in die ekonomiese ontwikkeling van ‘n land speel uit. Die uitdagings wat Suid-Afrika het word uitgelig in sy soektog om ‘n ontwikkelingsstaat op te stel veral ten opsigte van sy onderwysbeleidsrigtings. Met onderwys wat as ‘n beduidende drywer geag word ten opsigte van ekonomiese vooruitgang, skiet Suid-Afrika te kort vergeleke met ander lande, veral met die Asiatiese Tere. Suid-Afrika skiet hoofsaaklik ook te kort met die voorsiening van onderwys wat die vereiste vaardighede moet ontwikkel wat ‘n moderne ekonomie benodig. Dit beteken dat daar ‘n leemte in die Suid-Afrikaanse onderwysstelsel is. Die vooruitsigte om ‘n ontwikkelingsstaat in Suid-Afrika te vestig sal voortdurend voor uitdagings te staan kom totdat die onderwysstelsel van die land reggeruk word om die vereiste vaardighede te ontwikkel.

DEDICATION

To my late father, Mukhesi Daniel Mahada, who passed on at the time I needed him the most. To him I say, "*Tsho vha tshi tshifhinga*". Though the loss was so immense to bear, it helped me to pick the pieces up and move on. To my mother Mutsharini Annah Mahada, who stood by me through thick and thin until I understood the purpose of life God instilled in me, I thank you.

ACKNOWLEDGEMENTS

I feel indebted to give thanks to the Almighty God for the opportunities and dreams He presented throughout my life. I thank Him for the strength He gave me to endure in the realization of such dreams.

This work was a success because of support from Mrs. Adele Burger. Her diligent support and guidance in the process of developing the research topic was immeasurable. Her mentoring and coaching in that process was invaluable and has taken me to the right level to approach this task. Further, the literature review materials she provided to me show that she indeed wanted to see a successful accomplishment of this research project.

I also wish to extend my gratefulness and appreciation to my study leader Prof. Johan Burger for his diligent support and advice throughout this daunting study. He supported, advised, critiqued and encouraged me throughout the study. His advice and criticism made me to delve deep into the study and really understand what I needed to do to complete the study. He made me to understand the objective and the destination of this study.

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LIST OF ABBREVIATIONS AND ACRONYMS

ABET	Adult Basic Education and Training
ANC	African National Congress
ASGISA	Accelerated and Shared Growth Initiative for South Africa
C2005	Curriculum 2005
DBE	Department of Basic Education
DHET	Department of Higher Education and Training
DTI	Department of Trade and Industry
ECD	Early Childhood Development
FDI	foreign direct investment
FET	Further Education and Training
G-20	Group of 20
GDP	Gross Domestic Product
GEAR	Growth Economic and Redistribution
GER	Growth Enrolment Rates
GET	General Education and Training
GNP	Growth National Product
HE	Higher Education
HRD-SA	Human Resources Development Strategy of South Africa
ICT	Information and Communication Technology
IEA	International Association for the Evaluation of Educational Achievement

IPAP	Industrial Policy Action Plan
JIPSA	Joint Initiative on Priority Skills Acquisition
LTSM	Learner Teacher Support Material
MITI	Ministry of International Trade and Industry
MLA	Monitoring Learning Achievement
MPs	Members of Parliament
MTBPS	Medium Term Budget Policy Statement
NCS	National Curriculum Statement
NDR	National Democratic Revolution
NGC	National General Council
NGP	National Growth Path
NICs	Newly Industrialized Countries
NIPF	National Industrial Policy Framework
NIR	Net Intake Rate
NPC	National Planning Commission
NSC	National Senior Certificate
NSDS	National Skills Development Strategy
NSFAS	National Students Financial Aid Scheme
NT	National Treasury
OECD	Organization for Economic Co-operation and Development
PIRLS	Progress in the International Reading Literacy Study
RNCS	Revised National Curriculum Statement
SACMEQ	Southern African Consortium for Monitoring Education Quality

SASA	South African Schools Act
SCE	Senior Certificate Examination
SET	Science Engineering and Technology
SETA	Sector Education and Training Authority
STEP	Skills Toward Employment and Productivity
TIMSS	Trends in International Mathematics and Science Study
UNCTAD	United Nations Conference on Trade and Development
UNESCO	United Nations Educational, Scientific and Cultural Organization
VET	Vocational Education and Training
WEF	World Economic Forum

CHAPTER 1

INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

The aim of this research is to investigate the role of the education system in the pursuit of building a developmental state. The study also aims to assess the role of education towards building South Africa as a “successful” developmental state. Further, the study explores the link between education and economic development. The researcher aims to acquire more information on whether education and training, skills and development are important in pushing forward the agenda of a developmental state. The study also examines the role and relevance of education, in South Africa, with respect to the prospects of constructing a developmental state. The study reveals a gap that the education system in South Africa fails to close in the preparation of constructing a developmental state.

United Nations Educational, Scientific and Cultural Organisation (UNESCO) (2006:27) indicates that education confers a wide set of benefits on individuals, families, communities and nations. People from different sectors in the country receive remarkable benefits from education. The benefits may be for individual gains or for the nation’s benefit. This is because education is believed to be “the foundation and essential driving force of economic, social, and human development” (Bakhtiari 2006:2). Thus, education from this point on is viewed as a major propeller of any development initiative any country can embark on. Education “promotes economic growth, national productivity and innovation, and values of democracy and social cohesion” (World Bank 2010:1). It creates wide choices and opportunities for people and communities as well as a dynamic workforce and well-informed citizens that are able to compete and participate in the increasingly globalizing economy. With the changing nature of the

global economy, particularly in the wake of the 21st century, education and appropriate skills have become significant factors in opening doors to economic and social prosperity and a crucial element of any sustainable development initiative (World Bank 2010:1). In essence, education assists in developing the human resource needs of the country for social, political and economic development. Education is therefore placed at the centre of any development initiative a country can embark on and it has a strong relationship with the economic performance of a country. For any country to prosper in its economic and social development endeavours, education and skills play a crucial role. The World Bank (2010:1) affirms education as “central to development”. According to *Progress in the International Reading Literacy Study PIRLS* (2006:15) education is “vital to a nation’s (country’s) social growth and economic prosperity.” In today’s society, education is essential for the maximization of total participation in the endeavours of daily life, intellectual growth, personal growth and economic growth. If education is at the centre of development in a country, how important is education in the construction of a developmental state?

1.2 BACKGROUND TO A DEVELOPMENTAL STATE IN SOUTH AFRICA

South Africa has pronounced its intention to construct a developmental state. The pronouncement gained momentum in political and government circles. The African National Congress (ANC) endorsed and positioned South Africa on the path of constructing a developmental state. It announced in 2007 at the Polokwane elective congress, the 2009 election manifesto and the 2010 National General Council (NGC) that it had committed itself to the construction of a developmental state. The reason advanced is that government needs a progressive vehicle that will assist in addressing the enormous developmental challenges facing the country.

The ANC (2010a:3) wants to transform “the state and Governance within the context of a developmental state”. This is a foremost acknowledgement by the ANC that it wants to construct a developmental state “with the strategic, political, economic, administrative and technical capacity in pursuit of the objectives of the National Democratic Revolution

(NDR)” (ANC 2010a:3). The key attributes of the South African developmental state were amongst others “an approach premised on people-centred and people-driven change, and sustained development based on high growth rates, restructuring of the economy and socio-economic inclusion; and proper training, orientation and leadership of public service, and on acquiring and retaining skilled personnel” (ANC 2010a:4). The above pronouncement follows the commitment made by the ANC in the 2010 January 8th Statement and the 2009 election manifesto that “we need to take forward the major tasks of building the developmental state” (ANC 2010b:4 and 2009:6).

It is very clear that “the term developmental state has gained increasing currency in recent government statements and African National Congress documents” (Turok 2008a:3). The question is whether the government is taking the right and well-informed stance on constructing a developmental state. Some scholars believe that this may be the right stance to take. This is backed by the “views that the developmental state is not only possible; it is a prerequisite for successful development” (Levin 2008:7-8). As Leftwich (2000:169) concurs, it is not possible that “in the modern world for any society to make a speedy and successful transition from poverty to development without the state that in some respects correspond to this model of a developmental state.” Bagchi (2000:436) observes “that if today’s underdeveloped countries are to provide decent standards of living to their citizens, construction of a viable developmental state will have to remain high on their agenda.” The two contexts are that it is impossible to have a developmental state in the developing countries, while the other avers that developing countries should put the process of constructing a developmental state high on the agenda. The commitment by the ANC is that South Africa is convinced that it is committing itself to the right initiative which may serve the country well in its bid to address the enormous developmental challenges facing the country.

“In a developmental state, government leads a strong, concerted drive for economic growth, ensuring the mobilization of resources for economic growth, ensuring the mobilization of national resources towards developmental goals” (Levin 2008:7). The improved economic growth guarantees improved and decent standards of living. The pronouncements of building a developmental state give hope to many people because

government will grow the economy and mobilize resources to be able to give a better life for all. There has been a caution that building a developmental state is not an end in itself but a means and that building a developmental state in Africa can turn out to be a pipe dream (Mkandwire 2010:74). Regardless, South Africa is determined to enter the developmental state trajectory and aims to reap the benefits associated with such an initiative.

1.3 PROBLEM STATEMENT

Since the dawn of democracy, South Africa has been struggling with the skills shortage challenge. The country's education system is falling short in assisting to address the skills shortage challenge. In the wake of the 2009 financial crisis, the country was further exposed to the worst unemployment rate in many years, and in the second quarter of 2011 the Trading Economics Online Bulletin reported that the unemployment rate was standing at 25.7%. The biggest contributor is structural unemployment. "Structural unemployment occurs when there is a significant gap between, on the one hand, the education, skills, expertise required for the job and, on the other hand, the appropriately qualified workers to fill those posts" (Roux 2008:58). The deduction is that most people in the labour force in South Africa are either inappropriately or inadequately skilled or educated for them to take up the few jobs that are available. Another further distressing deduction is that "a very large proportion of South Africa's working-age population is simply not employable in an economic environment in which manual labour is becoming less and less important and appropriate skills are more sought after" (Roux, 2008:61).

According to the World Bank (2010:1) "an educated and skilled workforce is one of the pillars of the knowledge-based economy". This is a consequence of economies, in the 21st century, moving away from natural resources and cheap labour economic growth. The shortage of skills and education in the labour force is regrettable because the less skilled and inadequately educated the labour force is, the smaller the contribution is that it can make to production. According to Roux (2008:51), when the workforce is unskilled and uneducated "the economy is sacrificing much needed economic growth and

development.” Any economic growth and development is propelled by the correctly skilled and educated labour force which make the economy more competitive through high production. Consequently, “more competitive economies have higher productivity, attract more foreign direct investment (FDI) and can grow their export industries” National Treasury (2010:20), and thereby guarantee development in a country. Therefore, countries with a low-skilled labour force produce less and may not have enough goods to export to the other countries.

The economic growth of a country and any development endeavours depend on the quantity of “goods and services produced in the country (in a year) by the factors of production” (Roux 2008:15). This is called gross domestic production (GDP). The country’s economic growth for a particular year is determined by calculating the difference or the percentage change in the real GDP between the particular year and the previous year. The results may show the positive growth or decline of the economy. A number of factors are instrumental in the growth or decline of an economy in a country. Therefore, a GDP that is declining may be because of less production. When probing further, less production is therefore caused by a lack of desired skills.

In addressing the skills and education challenge in economic growth and development, Roux (2008:61) notes that “it is difficult in a technologically driven world to teach people skills if they lack solid educational background”. This means that for any workforce to adapt to the new innovations of a technologically driven economy they must at least have basic education and for some years this has been a challenge in South Africa. This simply means that besides depending on education for skills development, education is also vital to prepare the workforce that is trainable when new technologies arise.

South Africa’s initiative to construct a developmental state has been met with positive and negative expectations. There is an argument that South Africa’s quest for a developmental state is an “elusive” dream (Swilling 2008:1). Another argument is that if South Africa realizes a developmental state it will be a “deformed one” (Kondlo 2010:6). Another argument is whether the dream and objectives of creating a developmental

state are equalled by any strong capacity to do so on the side of the state. The reason advanced is that the state cannot, on the one hand promote economic growth, while on the other, address the social questions of high inequality, poverty and unemployment, (Edigheji 2010:3). Furthermore, South Africa is regarded as a mineral-rich country and therefore the developmental state initiatives are likely to fail. Mineral-rich countries have a very disturbing challenge called the 'Resource Curse'. The drawback is that resource cursed states "have tendencies to become addicted to the revenues that are generated from these abundant resources. The resulting economies are too often marred by imbalances, inefficiencies and inequalities" (Moses 2010:126). Consequently, the resource cursed states have over the years experienced regressions in the economy and have taken little steps to initiate alternatives for economy growth.

The above challenges create state procrastination in policy reform. There is a concern about "whether the state will be able to simultaneously effect policy reform and undertake institutional design" (Edigheji, 2010:3) if it still relies on mineral resources. The policy reforms made by the state are likely to fail or have a delayed effect because it will be benefiting from the financial returns derived from the mineral resources.

For a long time South Africa did not invest in the human development of the majority of the people in South Africa due to apartheid policies. According to Edigheji (2010:29) "human capital development is one way to overcome the apartheid legacy of dispossession". For South Africa to become a developmental state, its macroeconomic policy needs to serve social objectives by making sure that the social policy occupies a central place in the crafting of the state in order to dismantle the legacy of apartheid. Hence there is a need to invest in human development through education and training, health and infrastructure in order for proper human capital development to occur that can help in forging a new economic agenda that will redress the legacy of apartheid.

After the dawn of democracy South Africa was confronted by a huge reality shock. The country does not have the required education and skills for sustained development. Since 1994 skills development was a priority in policy formulation but the nature of change in skills development provisioning is less robust (Akoojee 2010:266). Akoojee

(2010:266) further argues that “the strand of debate more closely linked to the post-schooling education and training, especially in the context of skills development and labour market articulation, falls into the ‘policy’ category”. South Africa has been formulating policies that do not adequately address education and training challenges and skills shortage. The few education policies available are either unresponsive to the challenges or are not effectively implemented. This means that the provisioning of education in South Africa still does not provide the required skills and training that people can use in the demands of a modern labour market.

If education falls short in skills development then economic growth and development will be negatively affected. Education therefore serves as a good foundation and is a required priority in any endeavour to build a developmental state. This in essence, affects any endeavour to build a developmental state. The World Bank (2010:1) summed this up by confirming that “a problem in many parts of the developing world, (is) persistently high unemployment rates (which) are partly a function of skills mismatches (and) the result of workers inadequately equipped for the demands of employers. This is sometimes because of insufficient education, but also because education and training did not provide the skills that employers want”. Having said this, the question is whether the education system in South Africa is in a good position to assist in skills development and economic growth.

The National Treasury (2010:20) quoted the Organization for Economic Co-operation and Development’s (OECD 2011) *Going for Growth* publication which “recommends the following for South Africa: Improve the quality of education by improving teacher training; addressing teacher underperformance effectively; improving provision of textbooks and teaching materials; and upgrading school infrastructure.” This is to address structural challenges within the country that hamper economic growth. It will help to improve South Africa’s image in the global economic competitiveness. This is because “South Africa’s competitiveness has declined over the past few years relative to our emerging-market peers. The World Economic Forum (WEF) (2010:16) through its *Global Competitiveness Report* ranked South Africa 54th out of 139 countries on the

overall index, down from 45th in 2009/10. But these rankings are offset by poor performance in other areas, including basic education (National Treasury, 2010:21). Basic education in South Africa is being singled out as the weakest link in global economic competitiveness.

Based on the above narration, the research wants to assess whether South Africa have a strong basic and higher education system that can propel the desired production and economic growth in order to assist in the optimal development in the country. The assessment will show how South Africa will navigate through the challenge of building a developmental state it desires within the current education system.

1.4 RATIONALE

With education policies failing to provide education and skills required for economic growth, can South Africa positively manage the trajectory of a developmental state. The question above initiated the effort to assess the trajectory prospects of South Africa in constructing a developmental state and has prompted this study.

Increasing the depth and quality of South Africa's skills reservoir will raise the productive potential of the workforce and reduce inequality by increasing job opportunities. The WEF (2010:5) *Global Competitiveness Report 2010/11* cites an inadequately educated workforce as the second most problematic factor for doing business. The Grant Thornton International Business Report (2010:25) found that 34 per cent of all businesses see the availability of skilled workers as the major constraint to business expansion. There is a clear link between education, skills and employment. In South Africa, "several recent surveys highlight the shortage of skilled workers as a binding constraint for South Africa" (National Treasury 2010:21). However, to clearly understand the problem, there is a need to assess where the actual problem or gap is, the extent of the gap so as to find ways to deal with it.

The lack of the required education and skills shrinks the employment base for many citizens and this ultimately affects production in the country. This is a gap that the South

African education system is failing to close. How then will the country acquire the workforce to enhance production and economic development? This question and others further assist in undertaking this study and it forms the foundation of the research question and research objectives that will be addressed in this study.

1.5 RESEARCH QUESTION AND OBJECTIVES

The thesis examines the contribution and impact of education on the construction of a developmental state in South Africa. The actual research question of this study is:

What is the impact of the South African education system on the prospects for a developmental state?

The study is guided by the following specific research objectives:

- What different body of literature say about the construction of a developmental state?
- To what extent does education influence the construction of a developmental state?
- Does education in South Africa have any impact on the construction of a developmental state?
- What is the education gap that has to be closed to enable the developmental state in South Africa?
- Recommendations for closing the education gap in South Africa.

1.6 RESEARCH DESIGN

This section of the chapter presents the design adopted in this study in order to outline a plan of how this study will be conducted and to address the research question and objectives adequately (Mouton 2001:56). Further, the research plan assists in obtaining research participants (subjects) and to collect information from them (Welman, Kruger and Mitchell 2005:52). The collected information helps to get to the kind of results aimed for (Mouton 2001:55-56). This study looks at a developmental state and education in order to find the gap between the two and then to ascertain where the education system

in South Africa is lacking. This is done by looking at the trajectories of a developmental state within the Asian Tigers - particularly Japan - and South Africa, in order to conceptualize and look at characteristics of a developmental state.

This study is mainly a non-empirical study and conceptual analysis and literature review methods were used. The study also incorporates some requirements of empirical study and a comparative-cross-national study.

Conceptual analysis is useful for analysing “the meaning of words or concepts through clarification and elaboration of different dimensions of meaning” (Mouton 2001:175). The purpose is to differentiate forms of concepts on the basis of various theories and philosophical traditions and to further clarify such concepts in order to reveal the implications of different viewpoints. This study analyses the meaning of the concept of a developmental state. The study analyses the concept of a developmental state based on the theory of Japan, South Korea and Taiwan (Asian Tigers) tradition and their trajectory of a developmental state. Further, the concept was analysed on the basis of the South African prototype theory of a developmental state. This was done to present various theories of the concept of a developmental state in order to understand the different viewpoints of a developmental state.

Literature review, according to Mouton (2001:179), is the studies that provide an overview of scholarship in a certain discipline through an analysis of trends and debates. It is essential because it provides a good understanding of the issues and debates on the particular topic, current theoretical thinking and definitions, as well as previous studies and their results. It assists in bringing a proper understanding of all issues that pertain to the topic in order to create a framework that will guide the study.

Firstly, the review of literature in this study was based on the analysis of existing literature about a developmental state. It brought the analysis of different thoughts, trends and debates on the paradigm of a developmental state since its formulation by Chalmers Johnson in 1982. The concept developmental state has been flooded by different body of opinions. It has been analysed by different economic scholars within different economic contexts and thereby different definitions were coined based on

different contexts and economic situations of different countries. Therefore the economic characteristics of a developmental state have been the subject of different interpretations. The literature review traced the different body of opinions and the different characteristics of a developmental state from its inception in Japan until its rapid increase to other states. The literature review provided important facts and background information on developmental state theory based on the Japan, South Korea and Taiwan (Asian Tigers) trajectory and further, on the basis of South African prototype theories of a developmental state. This was to understand what different literature says about the construction of a developmental state.

Secondly, the literature review looked at education and its connection to economic development. The review synthesized different studies in order to get a view of the impact of basic, higher and vocational education, training and skills in economic development. This is to understand the influence of education and training on economic performance and, by implication on development in a country.

Lastly, the literature review looked at the South African education policies. Specifically, the study looked at General Education and Training (GET) and Further Education and Training (FET) policies, which are part of the overall Curriculum policy, the National Curriculum Statement (NCS) and the higher education and training. The review unpacked education and skills development programmes offered by the Department of Basic Education and Higher Education and Training in South Africa. It was followed by a short evaluation of the programmes to see if they do assist South Africa to industrialize, production of goods that can be exported and to assist the bureaucracy to be efficient. The evaluation was done through integrative review where education policies were tested against the findings of the conceptual analysis and the characteristics of a developmental state. The outcome revealed a gap which the education system was failing to close in order to enable the country to industrialize and increase its production levels.

Literature review has its own limitations in answering some of the research objectives. According to Mouton (2001:180) existing literature can, at best only, summarise and

organize the existing scholarship but it cannot produce new, or validate existing, empirical insights. Although literature review often leads to new theoretical insights, there is still a need to undertake an empirical study to test our new insights. In this study, the empirical study employed will be of a comparative-cross-national design type. In order to confirm the findings of the comparative-cross-national studies an evaluative questionnaire with open-ended questions was used.

According to Mouton (2001:154) “comparative studies focus on the similarities and (especially) differences between groups of units of analysis”. This study will focus on the cross-national comparative and therefore compares countries. South Africa is compared to Japan in terms of developmental state prospects and on the role education played in its construction. In other words the approach is to juxtapose the construction of a construction of a developmental state across the Asian countries and South Africa. The comparative analysis depends on the textual data provided by the conceptual analysis and literature review. This is done through comparing and approximating causal inferences to explain whether “shared phenomenon can be explained by the same causes” and to evaluate the approaches used in dealing with common problems and policy implementation. This design, according to Mouton (2001:154) “allows for comparison of different theoretical viewpoints across different settings” to take place. This is relevant to the study because it compares the different viewpoints of Asia and South Africa on the construction of a developmental state to establish similarities and differences and thereby be able to bring together what can work as a model for a developmental state.

The approach of analysing the data was more dependent on the deductive method. The Audio English dictionary online indicated that the advantage of the deductive approach is that the researcher will be able to proceed “from general inferences (provided by the literature review) to a necessary and specific conclusion”. The specific conclusion of this study was formulated through a developmental state model. This means that the results found in the comparative process done, were used to formulate a model which was the hypothesis that benchmarked the construction of a developmental state both in Japan and in South Africa. In the process of comparison, the mode of observation used

depended on the existing data gathered from the conceptual analysis and literature review.

1.7 RESEARCH METHODOLOGY

As stated by Mouton (2001:56) research methodology “focuses on the research process and the kind of tools and procedures to be used” in the study. This study depends mainly on the qualitative research methodology. This section thereafter presents research methodologies used in this study. It outlined the research processes followed, data collection and analysis procedures followed in this research.

The study depends on purposive sampling. The sampled respondents who were interviewed were chosen through purposive sampling. Purposive sampling assists to identify suitable people who can participate in the study. The planned sampling strategy in this study includes one Member of Parliament from the Portfolio Committee on Basic Education, one Member of Parliament from the Portfolio Committee on Higher Education and Training, one senior official from the Department of Basic Education in South Africa, one senior official from the Department of Higher Education and Training, one senior official from the Department of Economic Development, one senior official from the Department of Trade and Industry (DTI) and finally, one education policy analyst. In total, the researcher planned interview with seven people from the education and economic sectors in South Africa. As the study affects education and economic development, the sample was selected in order to have an expert from each of the affected sectors. The most affected sectors are the policy formulation and implementation sectors which basically are the national legislature and the departments who implement these policies. One person was chosen from each Portfolio Committee that deals with education policies and one person each from the education departments and the department that manages matters relating to economic growth and job creation.

The sampled Members of Parliament (MPs) in the Portfolio Committees of Basic Education and Higher Education and Training from the Parliament of the Republic of South Africa, in Cape Town are chosen because they are at a legislative level of

government, department officials are from the executive level of government while the independent policy analyst provides for the critique level.

Data was collected using a questionnaire that has open-ended questions. The decision to request MPs to participate in the interview was based on the fact that they are the education policy makers. The purpose of sampling MPs is to gain insight from policy makers about the role of education and its policies in the construction of a developmental state. There have been changes in the education policies since the dawn of democracy in South Africa. Some of the policy changes were made in order to address the skills shortage challenge in the country. The interview wants to elicit an opinion from the MPs on whether the changes in education are able to address the skills shortage challenge. Merriam (1998:61) said that “purposeful sampling is based on the assumption that the investigator wants to discover, understand and gain insight and therefore must select a sample from which the most can be learned”.

The study sampled MPs banking on their expertise so that they can be key informers and can furnish information in terms of the policy direction. The study also sampled the implementers of education policies and the implementers of economic policies in South Africa in the form of high departmental officials. Both the legislators and the policy implementers were in a position to confirm the correlation and role of the South African education policies on the economic growth and hence on the pursuit of a developmental state. The independent education analyst was in a good position to give informed insight on the responsiveness of the education policies in the country to the prospect of constructing a developmental state. The study culminated in a developmental state model.

The model established from the comparative studies was tested and cemented through interview that used an evaluative questionnaire with open-ended questions. According to Welman, Kruger and Mitchell (2005:174), “an open-ended question is one in which the interviewer asks questions without any prompting with regards to the range of answers expected” and therefore respondents are not unduly influenced by the interviewer. Participants were given an opportunity to provide their own answers with no

prompting list to guide them on how to respond to the questions, thus formulating their own responses. The findings from the interview were used to ascertain the hypothesis presented by the model created from the comparative studies.

1.8 ETHICAL CONSIDERATIONS

To conduct this study, verbal consent was solicited from the two MPs, representatives from the Departments of Education, Trade and Industry and Economic Development and the policy analyst. They participated in the interview in their personal capacity. The participants were assured of confidentiality and anonymity. They were further assured that the interview was for study purposes only.

1.9 OUTLINE OF THE THESIS

The thesis is divided into five chapters. Chapter 1 serves to introduce the study to be undertaken by outlining the background of the importance of education in economic growth and the quest to construct a developmental state in South Africa, the problem statement and the rationale of conducting this study and it further presented the design and methodology used in conducting the study. Chapter 2 reviews the literature on developmental state; international perspectives on developmental state; education, economic growth and development nexus. Chapter 3 outlines the comparative research findings with regards to the contribution of South Africa's education system towards the construction of a developmental state as presented in the literature review while chapter 4 presents the observations as drawn from the interviewed stakeholders and finally outlines the envisaged model of a developmental state. Chapter 5 delineates the conclusion and recommendations.

1.10 CONCLUSION

Education plays a crucial role in the economic growth of a country and in any development of a country. It is important to have a study that explores the contribution education can make in the construction of a developmental state and the lapses that can happen in the economic growth of the country if education is not playing a relevant

role. This is to assist any given government to avoid creating a “deformed” developmental state or to fail to create a developmental state. This Chapter introduced the study, outlined the background of the importance of education in economic growth and in the quest of constructing a developmental state in South Africa, the problem statement and the rationale of conducting this study. The chapter also outlined of the research design and the methodologies used in the study. It was indicated that the study followed largely qualitative and comparative methods. It depended heavily on intensive literature reviews and interviews in order to gain insight on the research question and objectives. Sample of interviewees was identified and a semi-structured questionnaire with open-ended questions was administered to gain more insights about the conclusions drawn from the comparative studies made.

The following chapter, Chapter 2, will present the review of the literature on a developmental state in South Africa, international perspectives on developmental states and education, economic growth and development. Chapter 3 presents the findings from the literature review and those findings are interpreted in a comparative form. Chapter 4 presents the observations from the interviewed stakeholders. Drawing from a comparative study made on the developmental state conditions and characteristics of South Africa and the Asian Tigers and the responses of the interviewed stakeholders, deductively, the study then presents findings in the form of a model that benchmarked what an ideal developmental state should embrace in economic and education terms. Finally, chapter 5 presents the conclusion and recommendations.

CHAPTER 2

INTERNATIONAL AND SOUTH AFRICAN PERSPECTIVES ON A DEVELOPMENTAL STATE

2.1 INTRODUCTION

There is strong evidence that education plays a crucial role in economic growth and development. The World Bank (2010:1) indicates that “studies also link education to economic growth (and) education contributes to improved productivity which in theory should lead to higher income and improved economic performance”. Improved economic performance is a catalyst in the construction of a developmental state. The problem under investigation in this thesis is that education fails to fulfil its role in the value chain mentioned above. Under such circumstances, question is therefore raised on the impact of education in the quest of constructing a developmental state. This literature review unpacks the links of education to economic growth and development. It goes further by looking at different perspectives of the developmental state theory internationally and within the South African context. This literature review is generally guided by the main question of this study, which is: What is the impact of the South African education system on the prospects of a developmental state?

Further, the review of literature is guided by the following specific research objectives:

- What different body of literature say about the construction of a developmental state?
- To what extent does education influence the construction of a developmental state?
- Does education in South Africa have any impact in the construction of a developmental state?
- What is the education gap that has to be closed for the enabling of the developmental state in South Africa?

- Recommendations for closing the education gap in South Africa.

This chapter will be used to explore the question and the objectives with regard to international and South African perspectives of a developmental state. It further looks at the education and development nexus. Finally, it looks at education policies and the education situation in South Africa, in relation to its role in the quest of constructing a developmental state.

2.2 INTERNATIONAL PERSPECTIVE OF A DEVELOPMENTAL STATE

The concept of a developmental state was introduced by Chalmers Johnson in 1982 when he wrote the history of *MITI and the Japanese Miracle*. The Ministry was responsible for the Japanese industrialization policy. Japan used industrialization as an economic model for development. This model was further explained by Leftwich as quoted by Swilling (2008:5) as a pathway to industrialization. This pathway was characterized by a move from an agriculture based economy to a manufacturing based economy. According to Karagianis and Madjd-Sadjadi (2007: xv), Johnson “extended his model to South Korea and Taiwan”. This was when Johnson elaborated the industrial policy that helped Japan realize its economic growth. Since then, “the concept was analyzed by different economic writers in different contexts” (Johnson 1999:34). This concept therefore has different definitions depending on the context and the economic situation in a country.

2.2.1 CONCEPTUALIZING A DEVELOPMENTAL STATE

The concept of a developmental state was introduced as part of the Japanese economic growth strategy. The strategy was also used by many other countries especially those in the east of the Asian continent. Some of these countries are Japan, South Korea and Taiwan and they were ultimately known as the Asian Tigers. It was part of the strategy used by the underdeveloped East Asian economies to speed up economic growth in order to uplift social conditions of the citizens and to eradicate poverty. However, there were challenges to how this concept could be conceptualized and defined. As indicated

above, different contexts and economic situations are used to try and bring something that can suitably explain what a developmental state is. A developmental state according to Bagchi (2000:398) is a state that puts economic development at the top of its developmental agenda by bringing in policies that respond well to the economic growth. The other way to respond is for the state to create formal and informal collaboration networks among citizens and government officials.

Mkandawire (2004:2) goes further than Bagchi's definition and breaks down the concept of a developmental state into two constituents: one *ideological* and the other *structural*. In his words, "It is this ideology-structure nexus that distinguishes developmental states from other forms of states." This is what Fine calls political and economic schools.

The ideological component conceives development as its mission - that of ensuring economic development, often interpreted to mean high rates of accumulation and industrialisation. The authenticity of state in this circumstance is based on sustained economic growth by producing more for local and global economies. According to Fine (2010:171), this "means that the developmental state seeks political legitimacy by being developmental with success in the economy allowing it to sustain itself" – hence political school.

The *state-structure* side of a developmental state emphasises capacity to implement economic policies sagaciously and effectively by the country (Mkandawire 2004:2). Such capacity is determined by various other factors such as institutional, technical, administrative and political factors. The economic school according to Fine (2010:171) is in total contrast to the political school because it is "exclusively preoccupied with appropriate economic policies or rationale for them, as opposed to the political (and Ideological) conditions that made them possible".

Gumede (2009:4) avers that "the 'developmental state' generally refers to the model many of the East Asian nations pursued after the Second World War to rapidly modernize their economies in one of the greatest industrialization transformations of the modern era." Developmental state theory is the narration of the industrialization process

by the three East Asian countries. Different scholars and economists defined developmental states on the basis processes and successes of East Asian Tigers.

The above definitions present developmental states from two angles. They focus on great industrialization and great economic performance operating within the good political will. The basis for economic development by the East Asian countries is to embark on massive industrialization transformations that ensure massive production of goods and services for local and international markets.

Woo-Cumings (1999:1) defined the developmental state as “shorthand for the seamless web of political, bureaucratic, and moneyed influences that structures economic in capitalist Northeast Asia” and he further said that “nationalism and a national vision lies at the heart of a developmental state”.

The other context of defining a developmental state is based on portraying the state as the one that intervenes in the market to rectify market failures and in doing so shape the country’s growth path. However, the degree to which the state intervenes is what constitutes the difference. When Woo-Cumings (1999:8) expanded his definition on his analysis of Johnson’s account of *MITI and the Japanese miracle*, he “idealized state as interventionist and where both ownership and management remained in the hands of the state including the powers to guide private ownership in markets.”

To this end, the concept of a developmental state has various descriptions even though the meaning to some degree is the same. Scholars share similar views on what a developmental state is: Industrialization; economic growth; and intervention to the economy, strong bureaucratic structures; and with powers to guide private ownership in markets.

However, Mkandawire (2004:2) in his undertaking to define a developmental state warned that “the definition of the developmental state runs a risk of being tautological since evidence that the state is developmental is often drawn deductively from the

performance of the economy. This produces a definition of a state as developmental if the economy is developing, and equates economic success to state strength while measuring the latter by the presumed outcomes of its policies". To Mkandawire, it is misleading to only confine the definition of a developmental state to economic successes. The idea advanced is that there are countries with good economic successes that fail to develop the social and material conditions of the citizens. Therefore Mkandawire (2004:8) contextualized the definition into an African perspective by saying that a "developmental state is one whose ideological underpinnings are developmental and one that seriously attempts to deploy its administrative and political resources to the task of economic development". To him developmental state does not have to be industrial and economic confined, as long as the state shows ability to use the administrative and political resources for the development wisely to ensure economic and social development.

According to Taylor (2002:4) "there is a major problem in defining a developmental state simply from its economic performance: not all countries with good growth rates are developmental states". In other words, economic performance should not be the only determinant of what a developmental state is, as long as ideologies are developmental and the state is able to deploy administrative and political resources to ensure socio-economic development. We should bear in mind that not all states with good economic growth are developmental, but also note that some states with moderate economic growth can be developmental, as long as resources are used to uplift the plight of the poor.

2.2.2 CHARACTERIZING A DEVELOPMENTAL STATE

Gumede (2009:4), while quoting other different scholars stated, "In his ground-breaking study of Japan's extraordinary post-war modernisation, Chalmers Johnson (1982) outlined the basic framework of the East Asian developmental state as one where the state sets specific development goals and then single-mindedly mobilises society to achieve industrial modernisation. The idea of 'a centralised state interacting with the private sector from a position of pre-eminence so as to secure development objectives'

is generally called the 'developmental state'. The authoritarian and corporatist political regimes of East Asia guided the market by 'augmenting the supply of investible resources, spreading or 'socialising' the risks attached to long-term investment, and steering the allocation of investment by methods which combine government and entrepreneurial preferences'." Developmental states have 'active development strategies, in particular industrial policies'.

What Gumede is elucidating in his definition is that, although there are many differences in approaches to economic development, the East Asian Tigers as outlined by Chalmers Johnson in 1982 serve as the basis to develop a framework of what a developmental state can look like. A state should be able to set developmental goals, mobilize its resources to realize such goals and should be able to allow the private sector to assist in endeavours to build a developmental state. Gumede further quoted Leftwich and his 2007 work to bring forth the following, as common characteristics of development:

- The major preoccupation is to ensure sustained economic growth and development on the back of high rates of accumulation, industrialization and structural change.
- The Asian Tigers industrialized to catch-up 'with the West or industrialized neighbours and to deliver steady improvement in the material and social wellbeing of the citizens.'

Swilling (2008:5) in his paper titled *tracking South Africa's elusive developmental state* also highlighted the features of a developmental state. His highlight came after he discussed the essential institutional features of the 'developmental state' as observed by Leftwich - whereby Leftwich indicated that a developmental state should massively accelerate the "traditional western pathways to industrialization". Swilling indicated that the move to a developmental state should present the following features of the 'developmental state':

- Developmental state committed to modernization projects;

- Relative autonomy to protect the state from seizure by major capitalist economic interests;
- Powerful, educated, competent and political immune economic bureaucracy;
- Less unionized and subordinated civil society

Gumede (2009:5), while quoting United Nations Conference on Trade and Development (UNCTAD, 2007) indicated that there are “core characteristics of the East Asian developmental states”. They are:

- Policy and institutional interventions focused on a ‘profit-investment nexus’.
- Governments secured a ‘pro-investment’ macro-economic environment, through a combination of incentives and ‘disciplinary measures’.
- They linked the ‘profit-investment nexus’ to an ‘export-investment nexus’.
- A principle running through the developmental states is that of ‘reciprocity’, whereby the governments provide the incentives and the companies are expected to reciprocate, by meeting certain performance levels.
- The governments would provide the support, whether subsidies or other means, say to the manufacturing industry, which then ‘reciprocates by meeting a performance standard’, e.g. reaching a specific export target.
- Institutions set up to deliver economic development were in the short term put under strict regulation and performance monitoring to focus them on the tasks at hand, which ultimately strengthened them, increasing their efficiency. This and the continual sharpening of policies in turn lifted economic growth.

According to Karagianis and Madjd-Sadjadi (2007: xv) Johnson “identified the developmental state as having key elements of an autonomous bureaucracy, national planning overseen by both private and public interests that focused on long-term strategy, an emphasis on human capital, and an incentive and moral suasion approach that used market prices instead of administrated prices to produce results”. They quoted many developmental state literature which argued “for the widespread and intensive use of government policy (and in particular government industrial policy) to purposefully

guide the market economy” (Karagianis and Madjd-Sadjadi 2007: 234). The successful developmental experience of Japan, South Korea and Taiwan provides a strong argument for adopting an industrial strategy of market guidance. They emphasized government investment and economic growth that requires that huge investments should be made in the state economy. It cannot be denied that investment in goods and capital equipment are of great importance and are good for the country to receive huge outputs and returns.

When assessing the developmental state model Karagianis and Madjd-Sadjadi (2007: 243) found out that “the development pathways in Japan, South Korea, Taiwan, Hong Kong, Singapore and, recently Malaysia have been characterized by a partnership between government and private business that uses strategic planning to promote the private sector”. The developmental states emerge in what is called the strategic oversight of industry through consultation and cooperation.

They went on to explain that “a fundamental characteristic of a developmental state is to have a strategic industrial policy organized around government directives that are broad-based in scope... such states ‘concentrate considerable power, authority, autonomy and competence in the central political and bureaucratic institutions of the state. A developmental state has numerically small but tightly organized bureaucratic structures that are insulated from corruption due to highly selective, meritocratic recruitment system. The state is able to maintain highly skilled, capable and professional managers. Therefore the bureaucracy is trustworthy and it is made autonomous” (Karagianis and Madjd-Sadjadi 2007: 244).

A developmental state’s prospects affect the policy and the strategic direction of the state. Karagianis and Madjd-Sadjadi (2007:248) thinks that “economic growth is governed by the growth of aggregate demand which, in turn, determines total output growth and job creation. Therefore, aggregate demand management policies are necessary for GDP growth, higher levels of employment and good economic performance. “The aggregate demand must be sufficient enough to stimulate production

and a higher rate of capacity utilization and must lead to a rising efficiency of production". Countries do not have to depend on export-driven growth as they also need to develop opportunities for production in order to cater for domestic needs and internal requirements. Therefore they should have sound macroeconomic policies. The macroeconomic policies should be strengthened by education stability.

The other point that must be taken into cognizance is the accelerators of growth. One of the drivers of growth is sound investment in production. Production is basically the result of innovation and invention. This is only possible through investment in human capital. "Investment in human capital takes many different forms, including expenditure on health services and facilities, on-the-job and institutional training and re-training, formally organized education, study programmes, etc." (Karagianis and Madjd-Sadjadi 2007:249). They argued that human capital investments assist in overcoming the challenges of a labour force that seriously reduces productivity. What one notes from their argument is that economic growth is accelerated through production that is propelled through correct investment in human capital. Amongst others, correct human capital investment include responsive and well organized education.

In his summative remarks Pempel (1999:169) indicated that "mass education was a key component of Japan's nineteenth-century industrialization..." while Swilling (2008:6) highlighted that "[t]he key to success was massive investments in education and human capital, within an urban hierarchy that was planned to absorb big investments in economic infrastructure to cope with high rates of urbanization." The indication by Pempel was the summative remarks after he assessed how Japan, Taiwan and Korea succeeded in their developmental state paradigm. He observed that for Japan to industrialize, it managed to resolve some puzzles. The first puzzle was to rely heavily on the export of manufactured goods which was based on "export-led growth policies" and the second was to extensively analyse their macroeconomic growth to enhance social equality and to avoid anything resembling a "welfare state". However, all these puzzles were empowered by the efforts of these countries to correctly educate the nation.

Highlights by Pempel and Swilling indicate that for Japan, Taiwan and Korea to fully realize their developmental state paradigm, they strengthened their education system so that it was able to produce people who would have skills to participate in modernization projects, have skills to manufacture more in the country so that they could export more, have engineering and vocational skills to bolster the implementation of industrialization policies, have efficient bureaucracy and have relevant business skills to participate in the mainstream economy.

2.3 SOUTH AFRICAN PERSPECTIVE OF A DEVELOPMENTAL STATE

The ANC has been talking about building a developmental state, which is more circumstantial and does not flow directly from the successes of the Asian tigers. When quoting the 1998 ANC document on *“The State, Property Relations and Social Transformation”* Edigheji (2006:2), defined a development as being about improving the quality of life; about equity and justice that entailed growing the economy. Building on the abovementioned quest, in 2002 South Africa took a stand of shifting from its “neo-liberal market-oriented development policy to a developmental state discourse”, (Swilling 2008:1). This was after the failure of Growth Economic and Redistribution (GEAR) to yield the anticipated growth. Therefore the policy direction shifted to the Accelerated and Shared Growth Initiative for South Africa (ASGISA) and the Department of Trade and Industry’s National Industrial Policy Framework (NIPF). The two policies showed the aggressive stance of the government in leading the effort of growth and development, heralding an era of greater state intervention in the economy.

The shortcomings of ASGISA and NIPF became clear when South Africa was unable to solve the socio-economic challenges it experienced. It should be noted that the South African state experienced serious challenges in its economy between 1994 and 2005. The major problem was that “the tradable sectors (agriculture, mining and manufacturing) declined from 32% to 28% of GDP while private non-tradable sectors (financial services, construction, trade, catering and accommodation, transport, communications and other private sectors) grew from 47% to 56% of GDP” (Swilling 2008:2). This was a nexus where sectors that guarantee economic growth were

shrinking while the consumption sectors were demanding more. South Africa could not afford this situation. This, according to Swilling (2008:2) was “a key driver of the shifting role of the state in development”. That is why South Africa wanted to use ASGISA and NIPF to address the challenge. However, ASGISA had the ‘shortage of skilled labour’ as a constraint while NIPF needed “an adequate supply of skilled labour supported by an appropriate educational infrastructure” to effectively assist in industrialization. Regardless of the previous shortcomings, government pressed on with the intention of growing economy through industrialization.

Turok (2008a:3) observed that “the term developmental State has gained increasing currency in recent government statements and in African National Congress documents.” He confirmed that the attributes of the developmental state has been a long-time political and strategic agenda of the ANC. Since the Polokwane conference in 2007, the African National Congress set the political context for the Zuma administration’s strategic policy orientation and direction into actively building South Africa as a developmental state (Maserumule 2010:15). The ANC adopted the developmental agenda to implement “the objectives of the national democratic revolution (NDR), including the creation of a better life for all, addressing the legacy of apartheid colonialism and patriarchy, and acting as a driving force for socio-economic transformation”. It announced at the 2007 Polokwane elective congress, the 2009 election manifesto and the 2010 National General Council (NGC) that it had committed itself to the construction of a developmental state. The reason advanced was that the government needed a progressive vehicle that would assist in addressing the enormous developmental challenges facing the country. What was left to see, however, was how the state defined its developmental agenda and how it viewed its envisaged developmental path. This necessitates exploring conceptualization and characteristics of a South African Developmental state model.

2.3.1 CONCEPTUALISING A SOUTH AFRICAN DEVELOPMENTAL STATE

It is important to note that “[T]he concept of a developmental state is often evoked in South Africa” (Edigheji 2006:1). This shows that South Africa is committed to creating

and experimenting with its own context of a developmental state. The challenge within the South African context is that the term has not been properly defined and “this has hampered state capacity to build the institutional characteristics of a developmental state”. The fact that Asian Tigers or the Newly Industrializing Countries (NICs) marked successes in their socio-economic conditions made the idea of a developmental state prone for emulation by the newly developing countries like South Africa. This was done without effectively looking at the institutional characteristics that assisted in the transformational capacity of the developmental states in Asia and make them able to intervene in their economies. However, the state gave its own reasons of constructing a developmental state based on circumstantial challenges in the South African context.

2.3.2 CHARACTERISTICS OF A DEVELOPMENTAL STATE IN SOUTH AFRICA

Gumede (2009:7), indicated that “most of the East Asian developmental states may have reached their developmental goals under undemocratic conditions, yet in South Africa, a constitutional democracy, the delivery of the developmental state will not only have to take place in the (good) economic and social spheres, but must also deepen democracy”. The statement creates an illusion that it is very difficult to realize a developmental state under democratic conditions. This is in a way diminishing the chances of South Africa to build a developmental state. However Gumede (2009:7) further noted that many more other scholars are “unconvinced that developmental states can be replicated under democratic conditions”.

South Africa is one of the developing countries experimenting with the concept of a developmental state “to achieve social and economic goals set by government”, (Maserumule 2010:17). There is a belief that the concept of a developmental state arose as a result of GEAR’s inability to meet its targets. The focus of “government on fiscal austerity, inflation targeting and structural adjustment generally failed to generate the economic momentum needed to overcome unprecedented levels of unemployment, poverty and inequality in South Africa” (Turok 2008b:3). Although Gear achieved some form of macro-economic stability, it has however fallen short of redistributing the

country's wealth to the poorest of the poor. In the same vein, the introduction of the Accelerated and Shared Growth Initiative for South Africa (ASGISA) in 2004, which in the minds of many was an admission on the part of government that GEAR was unable to meet its targets. In 2010, government presented the New Growth Path (NGP) as the new economic policy which was going to be used mainly as a job creation tool. It targets opportunities that are able to assist in massive job creation. It was noted that job creation "can only happen through a new growth path founded on a restructuring of the South African economy to improve its performance in terms of labour absorption as well as the composition and rate of growth" (Department of Economic Development 2010:1). Again the idea was to improve the performance of the economy so that there could be a reasonable growth rate that could create employment opportunities.

Gumede (2009:9) further indicated that "a successful developmental state requires political will, long-term vision and determination on the part of the country's political elite to drive a development and modernisation project". The pronouncements by the ANC indicate that there is a political will and that the motivation is high. The challenge is whether South Africa has the capacity and expertise to industrialize? In its Industrial plan policy South Africa identified serious shortcomings that can hamper successful implementation. The policy indicated that at the core of any developmental state is the state: efficient, well-coordinated and staffed with skilled employees. However the principles of the South African developmental state include:

- the creation of a better life for all,
- addressing the legacy of apartheid colonialism and patriarchy,
- acting as a driving force for socio-economic transformation , and
- Assist in addressing the enormous developmental challenges facing the country.

2.4 EDUCATION AND ECONOMIC DEVELOPMENT NEXUS

Does education matter? This is a question asked during major debates about education and economic growth. The thrust of the debate is about the importance of education and to some extent on how much education is able to drive the economic development of the country. The debates are based on the recognition and "belief that the world

economy has changed” (Wolf 2002:50). It further was based on a need to learn “what education can do for the economy”. Questions have been raised as well if “education is truly the elixir of economic growth? Does it deserve ever-greater government expenditure because it can deliver ever-increasing prosperity?” This section of literature review tries to determine whether there is a link between the national wealth and education.

In its 2007 publication, World Bank (2007:117) acknowledged that “education creates choices and opportunities, reduces poverty, and gives people a stronger voice in society. It is the fundamental enabler of the knowledge economy. Well-educated and skilled people are essential for creating, sharing, disseminating, and using knowledge effectively in a global environment that is radically changing the types of skills needed for economic success. Basic education provides the foundation for lifelong learning and increases people’s capacity to assimilate and use information. Secondary and tertiary education should develop core skills (including technical skills) that encourage the creative and critical thinking inherent in problem solving and innovation”. An intensive investment in basic, secondary and tertiary education creates an opportunity for the country to have a good labour force. This translates into good production and positive economic growth. This is because education is the right tool to impart the required and necessary skills. That is why the World Bank further argued the importance of skills.

In its 2010 skills publication, the World Bank recognizes that the world is faced with the unavoidable imperative of creating more jobs and to be more productive if it wanted to face head-on and address the challenge of development. However, this cannot be possible if the World cannot address the skills shortage challenge. According to the World Bank (2010:1), “Skills are at the core of improving individuals’ employment outcomes and increasing countries’ productivity and growth. This is particularly relevant as today’s development and emerging countries seek higher sustained growth rates”. When the needs in the countries grow, the demand for development becomes higher and this, in the end drives the need for more skills in order to meet the demand.

Development depends on production and production stimulates economic growth. This means that production is at the centre of any economic growth. The World Bank (2010:1) warns that “Increasingly, labour productivity will depend on high-level cognitive skills (such as analysis, problem solving, and communication) and behavioural skills (such as discipline and work effort).” “...as economies develop the demand for interactive and analytical skills in the workplace increases steeply and continually”. Thus, the World Bank is well convinced that skills play an important role in the economic development of a country and it encourages countries to put more effort into enhancing both the cognitive and behavioural skills.

To help countries in addressing the skills challenge, the World Bank has developed a conceptual framework (figure 1) called “Skills Toward Employment and Productivity (STEP) to assist policy makers to think through a model that can be used to impart skills that enhance productivity and growth” (World Bank, 2010:1). The STEP framework has five steps which are interlinked. Step 1 addresses “getting children off to the right start”; step 2 is about “ensuring that all students learn”; step 3 is about “building job-relevant skills that employers demand”; step 4 encourages “entrepreneurship and innovation”; and step 5 is about “matching the supply of skills with the demand”.

Figure 1 indicates that the World Bank (2010:1) recognizes that the journey to productivity and development starts “by developing the technical, cognitive, and behavioural skills conducive to high productivity and flexibility in the work environment through early child (hood) development (ECD) and basic cognitive skills and by building stronger systems with clear learning standards, good teachers, adequate resources, and a proper regulatory environment”. This is all about establishing a good basic education system that will make children trainable at later years. According to the World Bank (2010:3) “Behavioural skills needed for higher productivity jobs, built through learning from families and schools, are difficult to impart later in life. The ability to acquire higher cognitive skills such as creativity and entrepreneurship critically depends on the amount and quality of stimulation and education received in childhood.” The point of emphasis is that workers who have a poor level of early childhood development and

insufficient basic education are unlikely to acquire the higher level skills employers need and are less likely to be employable or fully productive; this negatively affects production and ultimately the growth in economy.

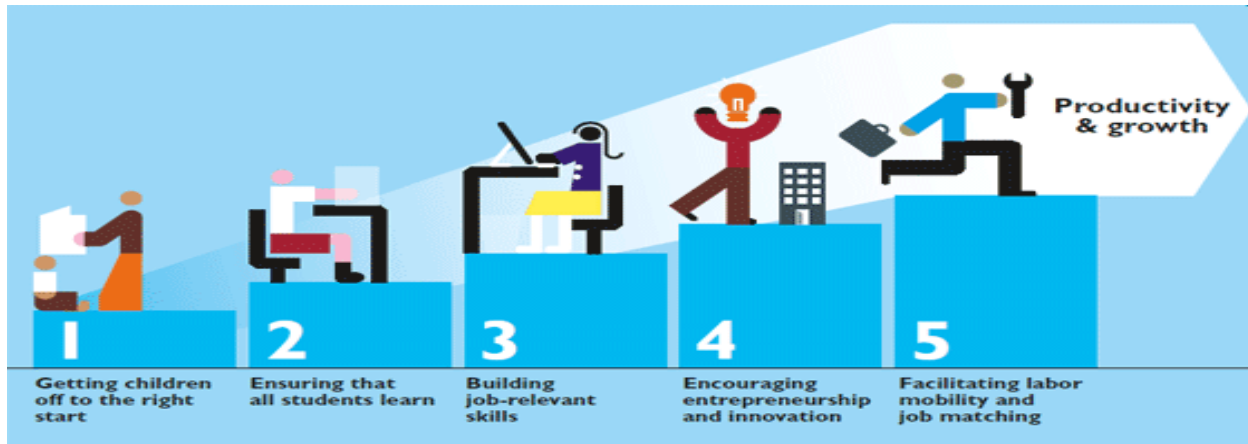


Figure 1: The STEP framework (Adapted from World Bank, 2010: Stepping up Skills for more jobs and productivity)

The World Bank (2003:xvii) also indicated that “a knowledge-based economy relies primarily on the use of ideas rather than physical abilities and on the application of technology rather than the transformation of raw materials or the exploitation of cheap labour”. This statement places a huge emphasis on the use of knowledge and ideas instead of resources and physical abilities to economic development.

The global knowledge economy is transforming the demands of the labour market throughout the world. It is also placing new demands on citizens, who need more skills and knowledge to be able to function in their day-to-day lives and duties. Equipping people to deal with these demands requires a new model of education and training, a model of lifelong learning. A lifelong learning framework encompasses learning throughout the lifecycle, from early childhood through retirement. It encompasses formal learning (schools, training institutions, universities); non-formal learning (structured on-the-job training); and informal learning (skills learned from family members or people in the community). It allows people to access learning opportunities as they need them rather than because they have reached a certain age. Lifelong learning is crucial to preparing workers to compete in the global economy. But it is important for other

reasons as well particularly for social emancipation of citizens. By improving people's ability to function as members of their communities, education and training increase social cohesion, reduce crime, and improve income distribution. Developing countries and countries with transition economies risk being further marginalized in a competitive global knowledge economy because their education and training systems are not equipping learners with the skills they need. Policy makers need to make fundamental changes to turn the education system around. They need to replace the information-based, teacher-directed repetition learning provided within a formal education system governed by directives - with a new type of learning that emphasizes skills development relevant for high production.

The Organization for Economic Co-operation and Development (OECD) states that, "in all but three OECD countries (Canada, Japan and Korea), raising human capital through reforms of primary, secondary and tertiary education systems has been advocated to lift productivity levels" (OECD 2010:59). The specific measures these countries implemented in this area included curricula reforms, increased flexibility of vocational education and training and greater responsiveness to the needs of the labour market, higher teacher qualification requirements (and teacher performance evaluations, strengthened school and teacher accountability through wider use of standardized exams, financial incentives for teachers to work in disadvantaged schools, increased support for students from disadvantaged backgrounds, and more compulsory years of schooling.

Wilson and Briscoe (2004:16) presented a study based on the international review "to provide a comprehensive and critical overview of the impact of education and training on economic performance, and, by implication, employment opportunities, at the macro level", they indicated that they are synthesizing different studies in order to get a view of "the many ways in which education, training and accumulation and deployment of skills influence economic performance." To further their argument, they focused their attention on "the role of vocational education, training" and general education. They limited their studies to investigating the relationships between economic performance and

education. Wilson and Briscoe (2004:17) also “focused on a range of measures such as the rate in income and wealth, the level and change in employment, export performance, and the like” they argued that “education and training are key contributors to the development of skills and knowledge.”

Wilson and Briscoe (2004:37) regarded their arguments as well-founded because they are based on literature that examines the “role of human capital in determining the level and growth of GDP per capita”. Their findings confirmed that the effects on employment, productivity and earnings can be expressed in terms of the rate of return on education and training and that there is indeed links between education, training, skills and economic performance.

The overall conclusion by Wilson and Briscoe (2001:60) was that “the impact of investment in education and training on national economic growth is positive and significant”. They discovered that “education is certainly a key determinant of economic growth for both developed and developing countries: its impact is probably more marked in developing nations.” According to Wilson and Briscoe (2004:61), “research supports the claim that vocational training improves the performance of the individual in the workplace and so raises the productivity of the employing organization. Comparative international studies emphasize the key importance of skills training in raising productivity.” They however advised that the weight of research evidence suggests that where governments manage to increase the stock of educated workforce, through additional years of secondary or tertiary education, rather than simply enhancing the flow into education in any given year, the impact on economic growth is more significant. Such a finding directs government policy towards changes to improve the quality of education rather than just the numbers passing through the system in the short term.

On the whole, Wilson and Briscoe (2004:13) “highlight the strong link between education, productivity and output levels”. Though they warned about the causality of the two, but the findings on the balance between education and productivity suggest a

strong and positive causal link between investment in education and training and earnings. They argued that there is also “evidence on social rates of return (which) concentrates on the benefits to economy arising from increased education by calculating all the costs of schooling and education compared to the relative pre-tax earnings of individuals in receipt of such education”. There is also evidence that vocational “training has a significant positive impact on productivity”.

Gamble (2003:13) presented arguments on the importance of education to economic growth. He started by acknowledging that there has been and still is much debate in the literature about “the relationship between education and training and economic performance” and “some see education and training as the primary manner in which economic success is determined”. There are, however, arguments for and against these notions. Some argue that reasonable spending on education guarantees good economic growth (as in Wolf: Does education matter: 2002) while others dispute the casual link between education and economic success. Further arguments that emerged played down the second argument and upheld the first.

According to Gamble (2003:14), “theorists, governments and policy makers in all parts of the world are increasingly viewing education and training as a central feature of long-term, global economic competitiveness”. This is mainly possible through labour because “labour is the basis of any economy and that even in the new global economy, labour is as much the source of productivity and competitiveness...” Education plays a crucial role in the success of world economies. Gamble further argued that in global economy, success is seen in areas where levels of productivity are brought about by knowledge and information, which is supported and powered by information technology, which has been provided for by formal education and training. He advised governments that any consistent means of developing a strategy of modernization and economic growth should focus above all, on the development of general education. Lastly, he indicated that it is commonly accepted that education and training, aimed directly at preparation for the world of work, should serve defined and useful purposes in terms of what people do or might do for living.

Hanushek and Wößmann (2007:20) also contributed on the role of education quality in economic growth. They based their argument on two of the more recent studies that have tried to overcome some problems regarding the incorrect measurement in the early 2001 and 2006 *de la Fuente and Doménech* study of Barro-Lee which analysed data on years of schooling and on the 2001 data of OECD countries and Cohen and Soto which used a broader sample of countries. Both studies found robust evidence of a positive association between changes in education and economic growth. They thus relate on few important issues that emerge in those two studies.

While basing their conclusion on the above-mentioned theoretical viewpoint, they found that there are at least three mechanisms through which education may affect economic growth. Firstly, just as in the micro-perspective, education increases the human capital inherent in the labour force, which increases labour productivity and thus transitional growth towards a higher equilibrium level of output. Secondly, education may increase the innovative capacity of the economy, and the new knowledge on new technologies, products and processes promotes growth. Thirdly, education may facilitate the diffusion and transmission of knowledge needed to understand and process new information and to successfully implement new technologies devised by others, which again promotes economic growth. Though they raised concerns on the issue of causality, they were satisfied that the findings strongly support the idea that there is a positive link between education and economic growth.

The National Treasury in South Africa has in its 2010 Medium Term Budget Policy Statement (MTBPS) been cautious of the fact that there is always a desire to raise growth potential particularly among the Group of Twenty (G-20) members. As a G-20 member, it is important for South Africa to focus its attention on micro-economic reforms and complementary measures needed to support higher productivity. These, according to the National Treasury (2010:20), “include better-quality education and stepped-up skills development”. This is an acknowledgment on the side of the South African government that quality education and skills development are the essential tools for development in the country.

In its commitment to job-creation, the South Africa government presented the New Growth Path (NGP). However, for the NGP to succeed there is a need to mobilize “resources to finance growth path priorities, particularly jobs, skills, and infrastructure” (Department of Economic Development 2010:17). The implication is that for the success of the NGP skills development would be one of the major proponents. With no relevant and required skills in the country, NGP is bound to fail. It is therefore important that the country must give skills development a priority and invest more in it through education. This goes with the fears expressed by the National Treasury in its MTBPS that the South Africa needs to step up its skills development.

NGP depends on an “active” Industrial Policy to succeed. It has been set as a workable and achievable industrial policy in order to accomplish new economic developments. However, new economic developments depend heavily on “knowledge-intensive sectors and green technologies need new kinds of education and training, as well as the establishment of learning organizations in enterprises and state agencies” (Department of Economic Development 2010:17). Another implication in the new economic development success is that the country must have ‘new kinds of education’. By implication, this is the kind of education the country does not presently possess. Therefore, in preparation for the success of the industrial policy within the NGP, the education system must present new approaches and innovations that will prepare the country in terms of knowledge and skills in order for it to be compatible with the domestic and global new economic demands. South Africa should create a new education focus that will present “(N)ew sources of competitiveness that lie in innovation and productivity, with an adequate base in skills, infrastructure and efficient state action, and measures to enhance domestic and regional demand as well as extending export promotion strategically to the rapidly growing economies of the global South” (Department of Economic Development 2010:18). Therefore, education in South Africa must assist in developing a large and enough skills base that will lead the country to high productivity and exports so that the economy of the country should rapidly grow.

2.5 EDUCATION IN SOUTH AFRICA

Since the dawn of democracy in 1994, following the demise of apartheid, “South Africa’s education system has experienced significant interventions, aimed at improving education access, quality and efficiency, as well as redressing the imbalances created by historical inequalities” (Department of Education 2009:10). In most instances such interventions have proved to yield positive results. Progress has been made on equal access to education by all races in South Africa.

In South Africa, the right of access to education is guaranteed by the Constitution since 1994. In terms of the Constitution, RSA, Act 108 of 1996, everyone has the right to:

- “a basic education, including adult basic education; and”
- “Further education, which the state, through reasonable measures, must make progressively available and accessible”.

Directed by the Constitution, the Department of Education promulgated the South African Schools Act (SASA), RSA, Act 84 of 1996 that “makes provision for the promotion of access, quality and democratic governance in the schooling system. The Act, for the first time, made education compulsory for learners from age 7 to age 15, or up until the end of Grade 9, whichever came first” (Department of Education 2009:10).

In South Africa, access to education since 1994 has not been a challenge. According to the Department of Education (2009:15) “in comparison to the selected countries, for which information is available, South Africa has a high intake rate into schools of children of the official school-going age” and it has recorded higher than 91% on the National Intake Rates (NIRs). The Department reported that “access to primary schooling (Grades 1 to 7) is very extensive and has been for many years, with Gross Enrolment Rates (GERs) of over 100% in the primary schooling system being a reality for a long time” (Department of Education 2009:20). Overall participation in secondary education, both in public and private institutions, increased significantly over a 22 year-period: from 51% in 1985 to 91% in 2007’ but could increase to 94% if learners passing Grade 12 from Further Education and Training (FET) Colleges were to be included. As

a feather in the cap, South Africa ranked fourth in learner participation in secondary school education amongst the 12 selected comparator (Including Argentina, Botswana, Brazil, Venezuela, Uruguay and others) countries in 2003/04. A completion rate in primary and secondary school was at 99% (Grade 3), 93% (Grade 6), 83% (Grade 9), 60% (Grade 11) and 44% (Grade 12) with the 2015 projected figure suggesting that South Africa “would just miss the international goal of having 100% primary completion by 2015 by a mere 2 percentage points, unless efforts are stepped up to enrol the last remaining few per cent of the youth” (Department of Education 2009:44). The Department of Education (2009:44) further indicated that “Higher Education experienced a massive increase in enrolment in the 20 years between 1986 and 2007. During this period, enrolment increased by as much as 151% from 303 000 in 1986 to 761 092 in 2007”. These are positive achievements in terms of access to education in South Africa.

However, the serious challenge in the South African education system is quality. Though “internationally, there is much debating about what constitutes quality education”, South Africa has seen a lot of worrying factors that contribute negatively to the quality of education. The South African literature on education chose the following quality indicators on the basis of a combination of their relevance to the country with regard to policy, and the importance from an international point of view:

- Educator qualifications,
- Learner and educator ratio,
- Learner achievement and outcomes, and
- Graduation rates in Science, Engineering and Technology (SET) in Higher Education

Although it is not stated in the detail due to the scope of this study, it is important to note that teacher qualifications are satisfactory but there is a high and unacceptable teacher-learner ratio in the country.

In terms of learner achievements and outcomes, which form part of this study, Matriculation or Senior Certificate Examination (SCE) is used as an indicator. SCE is “a

well-established, internal indicator of education quality and learner achievement, particularly at secondary school level” (Department of Education 2009:72). SCE as an indicator of quality looks at the number and percentage of passes endorsed as a minimum qualification for entry into tertiary education. “Despite the improvement in the pass rate and the increase in the number of passes with endorsement since 2000, the number of endorsement passes has never exceeded 90 000 and the endorsement pass-rate has remained below 20% – a signal that much more focus needs to be placed on improving the quality of learning achievement” (Department of Education 2009:74).

In 2001 and 2007, South Africa conducted a systemic evaluation at the end of the Foundation Phase of schooling, by assessing almost 54 000 randomly selected Grade 3 learners in literacy, numeracy and life skills for both years. In 2004, a systemic evaluation of the Intermediate Phase of schooling was conducted, with approximately 34 000 Grade 6 learners being assessed in the language of learning and teaching, Mathematics and Natural Sciences. The results from all three systemic evaluations were poor. In February 2011, the Department of Basic Education conducted the Annual National Assessments (ANA) for grade 3, 6 and 9 on Literacy, Numeracy and Mathematics. The Department is yet to release the results, but already there is high anticipation to see how the learners performed on such tests. Already there is a feeling that learners will not perform well.

The Monitoring Learning Achievement (MLA) Project was conducted in several African countries in 1999, and measured the competencies of Grade 4 learners in numeracy, literacy and life skills. South Africa’s performance in all three areas indicated serious shortcomings and South Africa did not fare well when compared to the other participating countries. Out of the 12 participating countries, South Africa scored the lowest average in numeracy, the fifth lowest in literacy and the third lowest in life skills.

The second Southern African Consortium for Monitoring Educational Quality (SACMEQ) II Project, which was conducted between 2000 and 2002, assessed the reading and Mathematics competencies of Grade 6 learners in 14 countries in east and southern Africa, including South Africa. Reported learner test scores for both reading and

Mathematics were based on a scale with a pre-determined mean score of 500 and a standard deviation of 100 across all countries. South Africa's achievement in these areas was poor. South Africa achieved just under the mean SACMEQ score in both reading and Mathematics and ranked eighth in reading and ninth in Mathematics.

In 1999 and 2003, the Trends in International Mathematics and Science Study (TIMSS) studies were conducted. They measured Grade 8 learning achievement in Mathematics and Science in 41 countries. In both the 1999 and 2003 TIMSS studies, South Africa's performance was disappointing. Learners attained the lowest average test scores in both Mathematics and Science when compared to all the other participating countries, including the other African countries that participated, namely, Morocco and Tunisia that participated in 1999; and Botswana, Ghana, Morocco, Tunisia and Egypt that participated in 2003. In both years South Africa's mean scores for Mathematics and Science were significantly lower than the international average scores for those two subjects.

Progress in the International Reading Literacy Study (PIRLS) is an international study, which measures reading literacy amongst Grade 4 learners. The 2006 PIRLS study was the third one of its kind, conducted by the International Association for the Evaluation of Educational Achievement (IEA). It was preceded by PIRLS 1991, in which 32 countries participated, and PIRLS 2001, in which 35 countries participated. PIRLS 2006 had the participation rate of 40 countries and 45 education systems with some countries presenting more than one education systems. (For example, there were two Belgium systems, namely Flemish and French). The 2006 PIRLS study was the first PIRLS study that South Africa participated in. In South Africa, the assessment was carried out on Grade 4 and 5 learners (although the assessment was aimed at a Grade 4 level) in more than 400 schools in all 11 official languages. Learners in Grades 1 to 3 were assessed in their language of tuition. The rationale for including Grade 5 learners was to study the progression in reading ability from Grade 4 to Grade 5, given the transition of learners in the languages of learning in Grade 4. As was the case with the other international achievement studies that South Africa had participated in, South Africa's

performance in the PIRLS study was very poor. South Africa achieved the lowest score out of all 45 education systems.

The analysis of learning achievement in this section indicates that an improvement in the quality of learning output remains one of the biggest challenges facing the South African education system. The achievement of learners in both national and international assessment studies is very poor, and it is a cause for great concern that South Africa performs so disappointingly when compared to its neighbours and to other developing countries.

While the Senior Certificate Examination (SCE) results show a definite improvement over time, (except for a decline in 2007 and 2009), there is still some cause for concern with regard to the quality of the SCE passes, with the number of endorsement passes increasing at a very slow rate. While access to education is high and South Africa's education expenditure, relative to Growth National Product (GNP) is also fairly high, it would seem that, in terms of the quality of learning outcomes, the return on investment in education at school level is poor.

At the higher education level, South Africa requires an increasing numbers of "higher education graduates with the high-level skills and knowledge that are essential to help the economy expand but the decline in the number of people boasting degrees and postgraduate degrees is cause for concern" (Department of Education 2008:94). There is a serious need for Science, Engineering and Technology (SET) graduates. The "SET fields contribute to a skills base that supports economic growth and investment in social infrastructure. The third democratic government's Joint Initiative on Priority Skills Acquisition (JIPSA) emphasizes that, as from 2007, the target was to increase the number of engineering graduates by 1 000 per year", (Department of Education 2008:95). SET is the only area where the education system has recorded a positive achievement because, "between 1994 and 2007, SET graduates constituted between 25% and 29% of total higher education graduates. While this percentage fluctuated year-on-year during the 1990s and early 2000s, from 2001 there has been an upward trend in the proportion of these graduates. This upward trend has also been evident in

the number of SET graduates since 2000. Between 2000 and 2007, the SET graduates increased every year, growing by a total of 45% over this period”, (Department of Education 2008:95).

The above challenges paint a picture that education policy makers should look closely at. It highlights trends and identifies areas of concern in order to facilitate relevant planning particularly in the areas of quality and equity. It further highlights the challenges and shortcomings on the contribution our education system has to make in the overall development in the country. With very low output in quality in our education system, there is definitely a serious impact on the base and foundation of skills development in the country. The education system should therefore change in one way or the other in the interest of the development of the country.

The NGP conceded to the fact that “improvements in education and skill levels are a fundamental prerequisite for achieving many of the goals in this growth path. General education must equip all South Africans to participate in our democracy and economy, and higher education must do more to meet the needs of broad-based development” (Department of Economic Development 2010:19). Again, the success of the NGP depends on major improvements in education (both basic and higher education) and skills levels which our education is presently not providing. Education and skills are preconditions that should prepare South Africans” to participate in the economy so that the country should realize its “broad-based development”.

Further, it is emphasized that “the growth path also requires a radical review of the training system to address shortfalls in artisanal and technical skills” (Department of Economic Development 2010:19). The challenge therefore is at the Human Resource Development Strategy for South Africa to address any shortfall in economic skills and for the policy makers. The policy makers should finalize and present a responsive National Skills Development Strategy (NSDS) in order to address the challenges that can negatively affect the growth path by a “commitment to upgrade domestic education on a broad basis” (Department of Economic Development 2010:20). Indeed the NSDS

III was adopted and its implementation and impact are yet to be seen. Education policies should as well play a crucial role in a commitment to build an education system that provides a good foundation for the NGP and in the quest for sustained economic growth.

The above situation indicates the current reality in South Africa whereby there is a gap which our education system is unable to fill. The education system in South Africa is falling short in linking education to the economic expectations of the country. The true worth of an education should be measured against the value it adds to improve the lives of those who acquire it. It is therefore necessary to assess the schooling system within the social realities within which it operates and rate its success on the value it brings to learners once they have left school. The needs of the particular society within which a schooling system functions must be considered in this assessment, as it is only when a schooling system delivers what is expected of it that such a system may be considered to be meeting the society's expectations. At present there is little value our learners can add to the economy after leaving school. One would say that the education system is not delivering in terms of expectations.

Grade 12 in its current form was never meant to be a springboard into the workplace. While grade 12 learners are literate and numerate when they pass the National Senior Certificate (NSC), they are not necessarily highly skilled in a vocation. Yet the expectation of a large sector of our society is that grade 12 learners should more readily find employment. While some do indeed find employment, such employment is often at the lower levels of the employment chain. However a large number of our high school graduates do not find any work opportunities and every year the media highlights the plight of these newly matriculated young people who cannot find work despite passing the examination.

The inequities of our society are thus perpetuated through the lack of synergy between the schooling system and the work place. There is a misalignment between society's expectation of the grade 12 certificate and the construct of the current grade 12

education. Grade 12, as it is currently designed, is aimed at developing a foundation for higher academic learning, and does not in any material way prepare a learner for the skills development and workplace. There are no skills imparted or any preparation of some sort that can lay a foundation for the learners to venture into the world of employment. This illustrates what our basic education is failing to present to our learners. Indeed, there are serious challenges facing our basic education system. It is failing to prepare and produce learners who are ready for work, let alone ready for post-school challenges. According to the Department of Higher Education and Training (2010a: 6) “many South African learners are poorly prepared to undertake further learning when they leave school and cannot access post-school education and training opportunities”. The Department further said that there is a large number of youth who are not in employment, who are not in any form of education or training and who have poor educational foundation who are looking for employment and they cannot be employed. The above situation presents the challenge the Department of Basic Education is faced with in terms of closing the gap.

The other challenge for the learners who manage to pass their grade 12 is the percentage of those who are unable to proceed to higher institutions of learning. Essentially there are two major factors that contribute to learners not proceeding to higher education institutions. Firstly there is the inability to cope with the rigours of academic learning, and secondly a myriad of socio-economic factors that puts higher education out of the reach of even the most academically inclined learners. What this entails is that many young people fail in the system due to learning impediments such as language barriers and academically inclined subjects. Some young people are unable to study beyond grade 12 due to the financial circumstances of their families. Government initiatives such as National Students Financial Aid Scheme (NSFAS) are unable to fully address the financial pressures that are brought to bear on such learners. The department of Higher Education and Training DHET (2010a) and Stats-SA (2010) maintain that “there are currently 2, 7 million unemployed youth in our country. Studies have found that of the total number of the unemployed, 1 327 000 of that number had completed their schooling. They constitute 31, 7% of the total proportion of unemployed

individuals in South Africa, which is aggregated to be in the region of 4,186 million.” This adds to the challenge already faced by the basic education system in that it fails to impart any skills to the learners. The total of just less than 1.4 million learners do not have an opportunity to participate in the economy of the country because the basic education system did not prepare them well.

DHET acknowledged the extent of the skills shortage in the country and how it affects the inclusive growth path. What could be deduced from the literature presentation, coupled with the challenges the DHET has identified is that South Africa has serious skills deficits and bottlenecks, especially in priority and scarce skills. According to the DHET, skills shortage “contributes to the structural constraints to our growth and developmental path” (DHET 2010c:4). The premise of the DHET is that a skilled and capable workforce is critical for decent work; an inclusive economy; labour absorption; rural development; reduction of inequalities and the need for a more diversified and knowledge intensive economy.

The indication is that the nearly 4 million unemployed citizens in South Africa are as a result mainly of structural constraints. Structural constraints in the context of unemployment refer to situations where gaps exist between the skills needed for the available jobs in the country and the actual number of appropriately skilled workers to fill such jobs. In the South African situation, it has been acknowledged over and over that people in the country do not have the required skills or are not appropriately educated to be absorbed into the labour force. People are not employable in the economic environment due to lack of skills and the correct education.

The challenge is therefore the gap between our education system and the demands of the growth and developmental path; inclusive and diversified economy; and knowledge intensive economy. The education system both at basic, FET and University levels is unable to totally close that gap. To compound the skills challenge, the “universities are not producing enough appropriately skilled and qualified people in disciplines central to social and economic development” (DHET 2010b:12). The reason for the problems

noted by the HRD-SA, DHET (2009:13) is that “the SETA sector skills plans, the HE (now known as HET) and FET enrolment planning and the integration quota lists are not informed by a common, credible and consistent modelling of skills supply and demand projections. These problems militate against integration and compound the responsiveness of education and training provision to the demands of the labour market”.

The above situation points to a petrifying gap presented by serious weaknesses in the basic education and higher education and training systems. As a developing country South Africa has a huge need for a skilled workforce. The country has a huge backlog of skills due, essentially, to the legacy of a lack of education opportunities for a majority of the people. In this regard there exists a natural priority that has to be directed at optimizing access to education opportunities, for young people in particular, that will make them employable either at basic education or higher education exit. What is basically the cause for the gap? On the basic education line, the gap was associated with curriculum unresponsiveness. The curriculum in the basic education system is mainly academic in nature.

It is clear that the current curriculum system caters for only those who are outstanding academically and that the majority of school leavers (whether after completion of the matric or prior to it) are unable to access decent work opportunities at which they can develop and enhance their qualifications over time. In other words the schooling system does not set the average learner onto a career path. It is also clear that within the FET sector there are difficulties relating to failure and drop-out, similarly faced by the schooling system in South Africa. When the learners drop-out from one sector of stream they do not have the other stream to fall to. The education system is therefore one stream offering. Again largely this may be attributed to the failure to provide different learning options for those who may not operate at an optimal level within a purely academic stream. The fact that many youth continue to find themselves without viable alternatives after completing their schooling is a reality that must be fully appreciated and understood in order for government to design policies to realize its priority of

ensuring that more young people are skilled and employed. While increased governmental support through initiatives such as the National Students Financial Aid Scheme (NSFAS) or other similar bursary schemes are laudable and have improved access to universities and colleges, it should be noted that these schemes are aimed at learners who have achieved within the academic stream. However, the recent review of NSFAS also points to material deficiencies that do not allow the poorest of the poor full access to higher education regardless of the scholastic capabilities of the learners in question.

It is therefore important to relook at the effectiveness of the current academic stream schooling and test it in relation to the needs of young people and its ability to impact meaningfully on their lives. It is correct that grade 12 in its current form is designed to lay a firm foundation for further academic study. It is far more dismal for those who for whatever reason are unable to complete their grade 12. In order to effect major transformation of the schooling-system, (and thereby the post-schooling landscape), it is absolutely crucial that the employability of young learners leaving the school system should feature within the mix of objectives of the school curriculum. In other words, the curriculum objectives must be reflective of the various needs of learners and those of society at large and not only the academically gifted or aspirants.

To optimize the availability of equitable outcomes for learners, the schooling system should enhance learning opportunities to maximize opportunities for learners to successfully complete their schooling and more importantly to prepare them for the labour market as well as to continue to support an academic education. In other words the curriculum should be diversified into two streams - one that features an academic stream and one that may be called a vocational stream. These streams will promote a range of learning options for learners but will importantly provide an equal schooling qualification that will enable higher learning that responds to the country's economic needs. The difference will be that upon completion of the vocational stream young people will be skilled enough to find useful employment or self-employment that will respond to the economic growth of the country and would be set along a specific

vocational path within which they can develop through life-long learning. The fact that our schooling system is bereft of any meaningful vocational education coupled with the fact many young people are not exposed to graduate role-models in South African communities and within their social circles results in a lack of interest in a post-school qualification - as not many young people are inspired towards vocations and professions that require many years of sacrifice and dedication.

2.6 EDUCATION POLICIES IN SOUTH AFRICA

Education reform has been a priority in South Africa since the dawn of democracy. The reform focused on two areas of huge concern. The first was to “redress the injustices of the past” OECD (2008:3) and to address the challenge of “students outcomes and labour market relevance” (OECD 2008:3).

On this note, serious policy interventions were necessary. The Constitution gave the necessary foundation. The South African Schools Act (SASA), RSA, Act 84 of 1996, was the first step in basic education to try and level the playing fields at all schools in South Africa. It further wanted to “provide an education of progressively high quality for all learners and in so doing lay a strong foundation for development of all our people’s talents...” The Act shows a commitment by the Department to address injustices of the past and to begin an effort of making education a foundation for any development through tapping into people’s talents.

The first point of call by the Department was Curriculum reform. The Department launched the Curriculum 2005 (C2005) which was based on the principles of outcomes. The curriculum later became the Revised National Curriculum Statement (RNCS) and it kept the same principles of outcomes within its assessment principles. This Curriculum catered for the General Education and Training band within the education system. One of the key principles of the Curriculum was to use education as a source of “high level of skills and knowledge for all” (Department of Education 2005:2). The principles were premised on critical and developmental outcomes of the country. One such developmental outcome was to enable ‘learners to learn effectively and become responsible, sensitive and productive citizens” (Department of Education 2005:4).

Recently the Department of Basic Education introduced the Curriculum and Assessment Policy Statement (CAPS) which underlines the curriculum framework of the GET phase. The Department argued that this must not be taken as a “new curriculum” but as a refinement of the RNCS. Curriculum and Assessment Policy Statement is still framed within the fundamentals of the outcomes based education. The reason for maintaining the outcomes based principles is that they are drawn from the preamble and the founding provisions of the Constitution. However, the curriculum development within CAPS and that which the country has gone through maintained what the education system has been offering, the only difference was on assessment whereby the assessment focussed on the outcomes shown by learners. To this point, the outcome has not been skills oriented.

The above call on Curriculum reform means that every lesson that takes place at school should be premised on building learners who will be able to participate in the productivity circle of the country, using the skills they acquired through education. This is based on the developmental outcome the Curriculum has employed which, in essence, recognizes that education should be at the forefront of the developmental agenda.

The second point of call was to address challenges in the upper secondary education in South Africa. Upper secondary education is also provided for by the Further Education and Training (FET). This is normally Grade 9, up to pre-higher education learning (which) “includes the three year academic programme in schools and provision of vocational education and training through 50 FET Colleges” (OECD 2008:242).

To make this a reality, the Ministry of Education drafted the White Paper on Education and Training in 1995. The aim of creating FET Colleges was to “provide diversified programmes offering knowledge, skills, attitudes, and values that South Africans require as individuals and citizens, as lifelong learners and as economically productive members of society” (Department of Education 1998:14). The White Paper further declared that “accordingly, the purpose and mission of FET are to respond to human resource needs of our country for personal, social, civic and economic development”,

Department of Education (1998:14) because the performance of schools and colleges in the FET band has been generally poor with programmes and curricula that are overly academic, theoretical and out of touch with the needs of the labour market.

The question is whether General Education and Training (GET) and FET responded to addressing the skills and education required for the country's development. Did they manage to provide the knowledge and skills that the South African citizens require? Whether FET responded to the human resource needs of our country by providing vital intermediate to higher-level skills and competencies the country needs in order to chart its own course in the global competitive world in the 21st century. These are vital questions that the study needs to form an opinion on.

Kondlo (2010:6) argued that thus far policy direction and implementation in the new South African leadership seem to have found coherence and refinement, but conception of a developmental state premised on the current GET and FET band policies, which are part of the South African education curricula, which has changed four times since 1998 will in the long run negatively affect the growth of our economy and further exclude people from entering the mainstream economy.

The analysis of the above statement is that South Africa has managed to set good policies which on paper can respond well "to the needs of industry and commerce, as well as more responsive to the needs of local communities" Gamble (2003:69), but the challenge is that the education system, particularly FET colleges, "are not responsive on their own terms, as educational institutions that serve the public good" (Gamble 2003:69). Gamble further warned that "FET colleges owe it to themselves to build a strong and independent educational identity that shows that the shift from Vocational Education and Training (VET) to Further Education and Training is indeed more than a name change". The understanding is that FET colleges are not doing enough in serving the public needs in terms of skills development. The policy articulations are clear, but the implementation by the colleges themselves does not show a change for the better. Government through its job creation policy, the NGP, made a clarion call that "Further

Education and Training (FET) colleges have a central role in providing important middle-level skills for young people” (Department of Economic Development 2010:20).

The current policy approach by the DHET is also a promising initiative. Moving from the Human Resource Development Strategy for South Africa (HRD-SA) point of view, there was an acknowledgement that the education and skills challenges “demand a comprehensive and determined response from government” (DHET 2009:7) and from all stakeholders in the society. At a launch of the HRD strategy by South Africa in 2001, cabinet declared that it wanted “to maximize the potential of the people of South Africa, through the acquisition of knowledge and skills, to work productively and competitively in order to achieve a rising quality of life for all, and to set in place an operational plan, together with the necessary institutional arrangement, to achieve this” (DHET, 2009:7).

The above declaration shows good intentions on the side of the cabinet to address matters relating to knowledge and skills of the citizens. This led to the finalization of the HRD-SA policy. This policy was a breakthrough in terms realigning the policy scope of the country. According to Ziderman (1997:352), it is important to have a “move from primary reliance on policies that emphasized capital investment in plant, machinery and infrastructure, or export-led growth strategies, to a broader approach that assigns a central role to investments in human capital. Expenditures on improved education, training and health are now no longer regarded solely (or mainly) as benefits stemming from economic growth and rising incomes; increasingly, they are also seen as investments in human capital that make this sustained economic growth possible.” No wonder government came up with the HRD-SA policy document.

The foundation for the HRD-SA policy was based on the understanding that “government economic policies require human resource development on a massive scale. Improved training and education are fundamental to higher employment, the introduction of more advanced technologies, and reduced inequalities (RSA 1994:21). Further, higher labour productivity will be the result of new attitudes towards work and especially new skills in the context of overall economic reconstruction and development (RSA 1994:21). Again, this is a confirmation that the South African government was

committed to bring about policies that address human resource development. They are policies that should address the education and skills challenge in order to put all the citizens at the forefront of sustained economic growth. In its response to the human resource development challenge, the HRD-SA admitted that central to its concern is to accelerate development so that there is a match between supply and demand for human resources. HRD is about taking purposeful action to increase the aggregate levels of skills in the workforce so that we can maximize opportunities for individuals.

One could arguably say that the basic education policies in South Africa have managed to address the challenge of segregation in education provision and the issue of access. Today South Africa has one education system governed by similar policies. Further, access in basic education has been recorded at over 95 per cent. This means that policies in South Africa have achieved much on the equality and access levels. The challenge raised against the basic education policies is the quality. This is evident by the journey the South African education policies for basic education have travelled.

What is important on the quality challenge is the national curriculum for basic education. Curriculum is at the centre of a quality education provision in any education system. “It is a primary source of support and direction for learning and teaching in the education system, and plays the role of equalizer in terms of educational standards” (Department of Basic Education 2009:11). Primarily, curriculum anchors the education system, but equally it gives direction for a quality learning and teaching. For any country to provide education that is meaningful and developmental oriented curriculum plays an important role. Playing the role of an equalizer, the curriculum in South Africa managed to satisfy the aim of nation building and equal education for all.

However, the other most important aim of having a common curriculum is to address challenges of “socially valued knowledge and developmental pedagogical principles” (Department of Basic Education 2009:11). The curriculum that socially valued knowledge is a curriculum that is able to impart much needed skills. The aim is to assist a learner to be able to take part in the activities that build the country, particularly its

economy. The Department of Basic Education (2009:11) indicated, that, “the target and beneficiary of any national curriculum is the pupil, learner or student, and any curriculum policy should start with its primary beneficiary in mind”. Curriculum should make a learner a better and productive citizen in the country. It should respond to the developmental needs of the country. However, since the dawn of democracy, through Curriculum 2005 and the National Curriculum Statement (NCS), curricula failed when measured against the economic needs of the country. This was gauged against the “specific complaints about children’s inability to read; write and count at the appropriate grade levels and their lack of general knowledge” (Department of Basic Education 2009:12). Further, the curriculum failed to articulate how it was going to address the skills challenge of the country.

There was a need to align the curriculum to the developmental needs of the country and to simplify it for easy delivery. The Revised National Curriculum Statement (RNCS) was legislated. “It explicitly attempted to shift the curriculum agenda...to the high knowledge and high skills curriculum” (Department of Basic Education 2009:12). However, the same fate of the Curriculum 2005 hit the RNCS. According to the report of the task team for the review of the RNCS “the curriculum failed to provide the coherent, systematic content and knowledge to satisfy the specific aims of the curriculum” (Department of Basic Education 2009:13). One of the aims of the curriculum was to bring high skills to the learners. This simply means that the curriculum has failed to initiate teaching and learning that responds to the skills demand of the country. The RNCS has failed to deliver.

The 2009 review of the curriculum promised that it “will improve both the academic and social chances” of learners towards “the development of a high level of knowledge and skills” (Department of Basic Education 2009:16).

In many instances higher education and training policies in South Africa are good and clear. Special attention was given to consolidating and repositioning the FET sector. The enabling legislation and necessary strategies have been put in place since 1998

when government presented education white paper 4: a programme for transforming FET. The 2008 national plan for education and training colleges promised to “be differentiated and responsive to geographical and sectorial challenges” and to assist students to gain the necessary work experience part of their qualification requirement. At an implementation stage the expectation was that FET colleges will provide technology and income generating skills. However, the implementation has been a serious problem. According to the FET Round Table Discussion Document (2010:9), “many policies have not yet had any impact on the goals they were intended to address”. This is because some of these policies have not been implemented as it was initially intended at the time of policy making.

The response by government in terms of policies that address skills shortage was also good. In 2010, the Department of Higher Education and Training presented the National Skills Development Strategy III (NSDS III). NSDS III strategy is hailed as a solution to skills shortage challenge because it “must contribute to the achievement of the country’s new economic growth and social development goals” (DHET 2010d: 7). The main idea was to “strengthen the skills and human resources base” as suggested in the medium term strategy framework priorities. The NSDS III wants to anchor “government priorities such as speeding up growth and transforming the economy to create decent work and sustainable livelihoods; building economic and social infrastructure; and developing a comprehensive rural development strategy” (DHET2010d: 7). It is important to note that the NSDS III is informed by other key strategic and policy documents within the government such as Industrial Policy Action Plan (IPAP), Human Resource Development Strategy of South Africa (HRD-SA), and National Industrial Policy Framework.

The challenge however, with the NSDS III is that it depends heavily on partnerships for its total implementation. It depends on workplaces, educational institutions, government and private sector for implementation through Sector Education and Training Authority (SETA). This may easily translate into a well-known saying that “too many cooks spoil the broth”. Regardless of the wide spectrum of implementation stakeholders, the

implementation is sporadic. For some stakeholders, it has proved to be mammoth task to understand the objectives of the NSDS III. The reason is that implementing NSDS III is a choice, the company may or may not implement and no one is held accountable for not implementing. Another reason is that NSDS III is sector-based and therefore those children who are not attached with the working sector will not benefit from this skills development initiative.

National Treasury (2010:2) indicated that “to meet South Africa’s development needs, a new path has to be forged across several frontiers – education and skills development, national health insurance, land and agrarian reform, residential settlements and urban renewal, environmental management, infrastructure investment and maintenance, enterprise development, and public-sector service delivery and management.” In other words, for South Africa to achieve its developmental aims there is a need to promote large-scale job creation, increased investment, greater trade, higher savings and a more competitive economy. This requires addressing constraints to growth, including infrastructure bottlenecks, skills deficiencies, state inefficiency and regulatory burdens that act as a disincentive to small business activity. Most of the above requirements raised by the National Treasury are provided for by sound education.

2.7 DEDUCTIONS AND CONCLUSION

When one analyses this chapter, one can deduce a certain hypothesis. The literature study presented speaks to the impact of education on the construction of a developmental state. It showed the different views about the construction of a developmental state and the role of education in it. This therefore means that the emphasis was to look at what a developmental state is in terms of the international perspective and the South African perspective and what education in South Africa can offer.

From the analysis provided in this chapter, it can be deduced that a developmental state focuses on economic development as a priority in government policies. The kind of economic development depends on a high rate of accumulation and industrialization.

The challenge to be addressed is the capacity to implement such economic policies effectively. The developmental state emerged as a successful story of industrialization of the East Asian countries. In essence, development is determined by the performance of the economy. Besides economic performance in a developmental state, the state is more interventionist. The state must be able to set developmental goals and strive towards achieving such goals. It should as well be noted that the state cannot work alone to achieve such developmental goals. It needs to engage with the public sector. What this kind of investment emphasizes is that government should create an environment that is conducive for companies to reciprocate in order to assist in economic growth. It is the kind of economic growth that is based on huge investments based on the consultation and cooperation between government and the private sector. The East Asian states achieved their developmental goals by means of authoritarian rule and by investing more in resources.

What one further deduces is that the development initiatives by the Asian countries were made to catch up with the West and to ultimately improve the material and social well-being of the citizens. The initiatives were characterized by modernized projects that were carried out by educated and by a political immune government workforce. The bottom line was to initiate investment that will yield profit internally and that is exportable.

From the South Africa perspective one deduces that the developmental state is aimed at addressing the legacy of apartheid and be used as a driving force for socio-economic transformation and for bringing a better life to all the citizens. Unlike the Asian countries, the development agenda in South Africa takes place under democratic conditions.

Further, one deduced that there are positive things education can do for the economy of the country. Good early childhood development sets and prepares children for good basic education. Similarly, secondary and higher education should serve as the right tool to impart the necessary knowledge to the citizens. It became evident that labour productivity will depend heavily on high level cognitive and behavioural skills that must

be provided for at a basic and higher education level. This, therefore, challenges the state to raise the education bar that will be able to assist in lifting the productivity levels. It is therefore agreeable that productivity and earnings be expressed in terms of the rate of return on education and training. There is a strong link between education, productivity and output levels. Any means to economic growth should focus on the development of education in general because there is no denying that education increases human capital and innovation capacity. It is along these lines that one concurs with the United Nations Educational, Scientific and Cultural Organization (UNESCO) campaign for the Education for All which underlined the importance of transforming education. That said, “empirical research has demonstrated that good schooling improves national economic potential – the quality of the labour force...appears to be an important determinant of economic growth, and thus of the ability of government to alleviate poverty” (UNESCO 2005: 14).

The chapter highlighted what a developmental state is in terms of the Japanese perspective. It was indicated that a developmental state is industrialization initiatives that increase the economic growth in the country and hence increasing the social conditions of the citizens. On the other hand South Africa concentrates on using the available resources that are not necessarily from economic growth, to develop the social conditions of the citizens. Education was found to have an important role in the developmental endeavours of the state through skills provision and the laying of a good foundation for the young ones to respond well in the future training. Education policies and the education provided in South Africa were found to be lacking substantially in the skills provision and the foundation preparation for the young children. This exposes the gap in the South African education system that it is presently unable to close.

CHAPTER 3

FINDINGS AND INTERPRETATION: LITERATURE REVIEW

3.1 INTRODUCTION

This chapter presents findings of comparative research done in the study and their interpretation. It depends heavily on the information presented in the conceptual analysis and the literature review presented in chapter 2. The process of interpreting the findings culminates into a model which serves as a benchmark on the correlation between education and economic growth. The developed model will be tested and endorsed by insights from the experts in the education and economic development sectors and by interviewing an independent analyst.

The findings in this chapter were to address the research question: **What is the impact of the South African education system on the prospects of a developmental state?** Further, the findings presented in this chapter addressed the following specific research objectives:

- What different body of literature say about the construction of a developmental state?
- To what extent does education influence the construction of a developmental state?
- Does education in South Africa have any impact in the construction of a developmental state?
- What is the education gap to be closed for enabling the developmental state in South Africa?
- Recommendations for closing the education gap in South Africa.

This chapter has five sections. The first section is the introduction. The second section numbered 3.2 presents the comparative analysis of the conceptualization and characterization of a developmental state in order to present what different literature say about the construction of a developmental state. The section that follows presents the comparative analysis of the role education plays in the construction of a developmental state. The fourth section interprets and discusses the stakeholders' responses to the impact of education on the construction of a developmental state in South Africa. The last section is the conclusion.

3.2 COMPARATIVE FINDINGS: A DEVELOPMENTAL STATE

The comparative analysis undertaken is meant to identify and analyse the uniformities and the uniqueness of the construction of a developmental state in South Africa and within the context of Japan.

Japan as part of the Asian Tigers was successful in constructing a developmental state. Though it was not a planned effort to construct a developmental state, the type of economic development Japan embarked on after the World War II ensured massive production aimed at improving the social conditions of its citizen. After many analyses, the economists identified that the economic endeavours were in fact developmental. There has been a concerted effort in South Africa to construct a successful state. The question is whether the conditions, approaches, intentions and mechanisms in South Africa are the same as in Japan. Is the developmental trajectory that South Africa is embarking on similar to what Japan and other Asian Tigers went through?

The era and conditions for initiating a revival of the economy by Japan and South Africa were similar but distinct. They were similar in the sense that they were all initiated after a huge strife in those countries. However they were distinct in their approaches to initiating such processes. From the Asian Tigers' perspective, the construction of a developmental state came after World War II at the dawn of their recovery phase. In South Africa the perspective of a developmental state emerged after the demise of the apartheid regime. At the dawn of democracy, South Africa started a recovery and

reconstruction phase by calling for a developmental state approach. The similarity to note lies in these countries engaging in developmental paths in their recovery phases and in forging a new direction to confront socio-economic challenges.

The major difference is that Japan, approached the socio-economic battle through the industrialization process and to challenge and catch up to the economic models of the West, while in South Africa it was not confined to industrialization but wanted to move away from the neo-liberal market-oriented developmental path.

The Asian Tigers established a developmental state under an authoritarian and corporatist political regime which promoted less unionized and subordinate bureaucracy and civil society, while in South Africa the developmental state was based on a democratic political regime which promoted a highly unionized bureaucracy. With Japan, the idea was to produce more to make huge profits and invest more regardless of fair labour practices, while South Africa promoted fair labour practices and ratified International Labour Organization (IOL) labour practices. South Africa is not in competition with the Western countries and it is not engaging in the developmental state to compete with any country but rather for its own development.

The ideological underpinnings of both countries are to pursue development. Japan owes its development success to the economic performance and economic growth based on high rates of accumulation, industrialization, sustained growth of its economy through high productive systems for domestic and international economy and structural change in their productive system. Structural change refers to the capacity to implement economic, institutional, technical and administrative policies. Japan had a strong bureaucratic structure that was autonomous, powerful, educated and competent. In the South African context, the developmental underpinnings are deeply mooted in harnessing administrative and political resources in the task of economic development and depended on the bureaucratic structure that is not autonomous.

Japan relied heavily on the partnership between government and private business partners to deliver steady improvements in the material conditions and social wellbeing of its citizens. South Africa also believes in public-private partnerships to enhance its National Democratic Revolution (NDR) in addressing the daunting legacy of apartheid and bring equity and justice in order to improve quality of life. Both countries believe in intervening to rectify market failures.

The diagrammatic findings of the developmental state in Japan are represented through the following diagram.

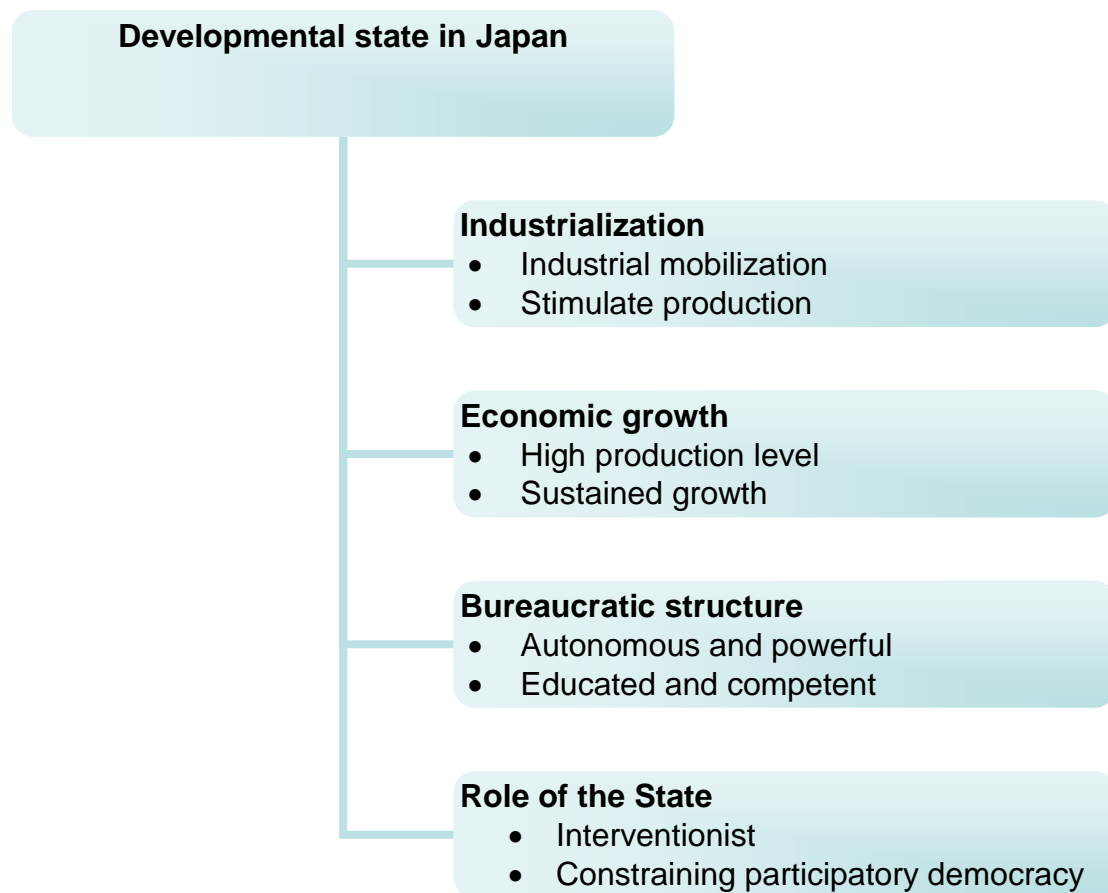


Figure 2: Diagrammatic representation of findings on the Asian Tigers developmental state model. (Self-designed)

The diagrammatic findings of the developmental state in South Africa are represented through the following diagram.

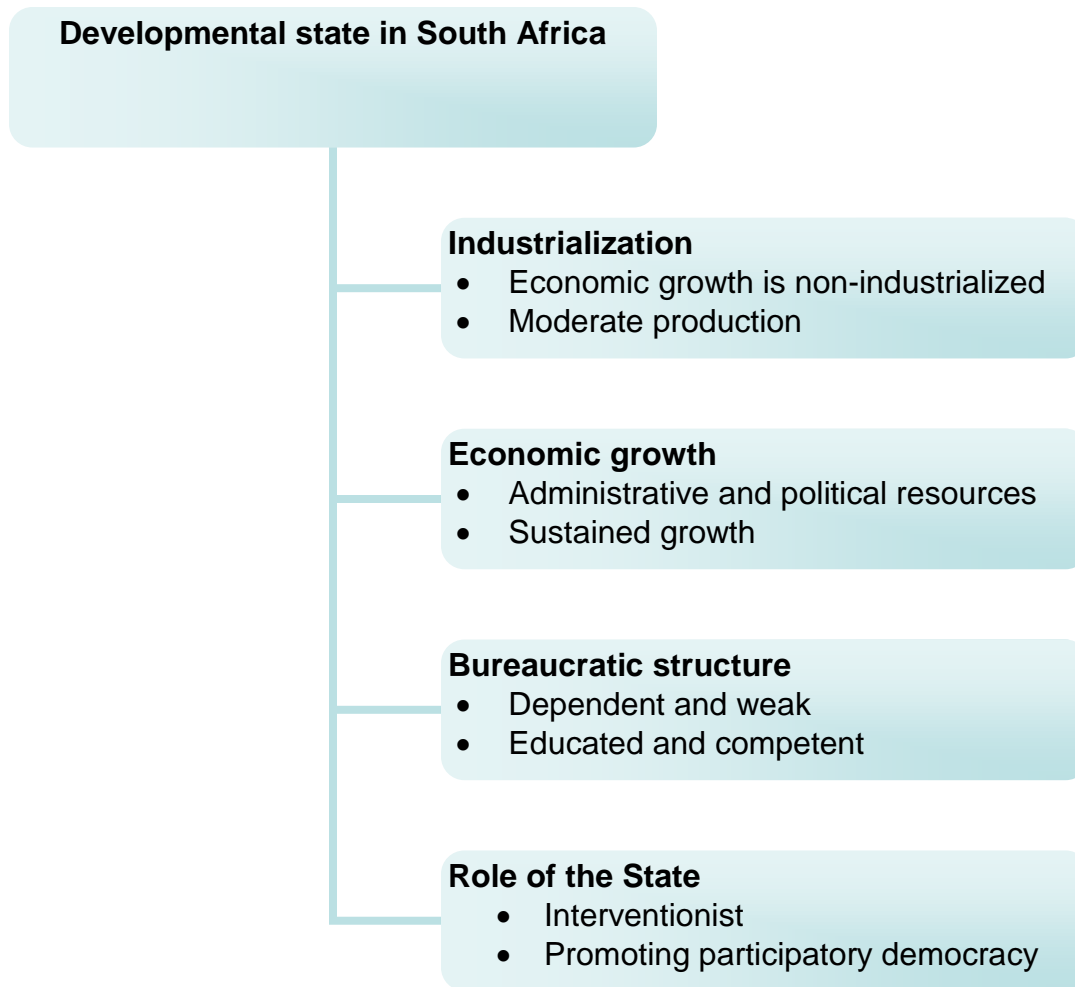


Figure 3: Diagrammatic representation of findings on the model of developmental state in South Africa. (Self-designed)

3.3 COMPARATIVE FINDINGS: ROLE OF EDUCATION IN THE CONSTRUCTION OF A DEVELOPMENTAL STATE

The findings from the literature review indicated that the essence of a developmental state in Japan was based on industrialization, high and sustained economic growth, and a strong bureaucratic structure. But it is important to note that this is only possible if the state makes the right investment. To make it a success the state must invest in production, innovation and invention and human capital. These kinds of investments are all underpinned by a huge investment in formally organized education. Strengthened education systems provide skills people need to be able to participate in modernization

projects and the economic cycle of the country. From the literature review analysis, the findings are that education is a catalyst in any development endeavours. This is because any developmental effort to accelerate economic growth depends on a skilled labour force. This is what is called “human capital investment”. UNESCO (2011: 14) pointed out and evidence confirms that “improved learning achievement levels do increase long-run economic growth...” Therefore, it goes without saying that skilled people assist the country in production and industrialization. It further helps to have an educated bureaucracy that will provide efficient state service delivery. All of these factors assist the state to have a good economic performance and sustained and accelerated economic growth. This eventually leads to improved socio-economic conditions for the citizens. This can be summarized in the following self-designed diagram.

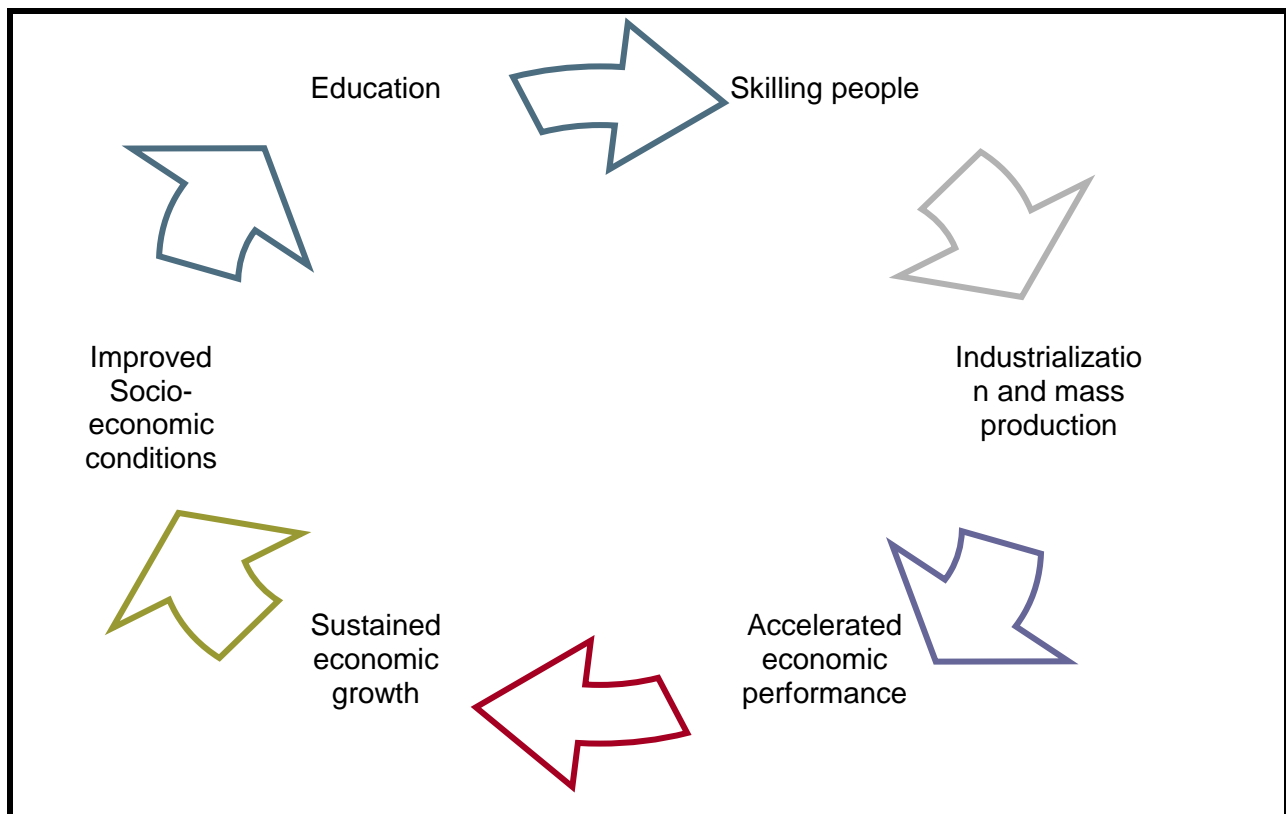


Figure 4: Diagrammatic representation of the findings on the link between education and economic development (self-designed)

Figure 4 is designed to be a diagrammatic representation of the findings on the link between education and economic development. It indicates that education plays a

critical role as a good linkage of the development chain in economic development. What it simply represents is that education, particularly skills development, is a part of the dynamic chain that propels the economic cycle of any country. Education is an important part of the cycle of economic growth in a country. If one removes education from the chain, the developmental chain breaks and the economic growth will fail to yield the desired results. This is because the labour force will not be skilled. The shortage of skills will therefore shrink the desired production base that is needed to stimulate economic growth. Education serves as a foundation and provides the general skills, vocational and engineering skills and other relevant skills to participate in the mainstream economy. This helps the labour force to meaningfully participate in the economic sphere of the country in order to set the wheels of the economy moving.

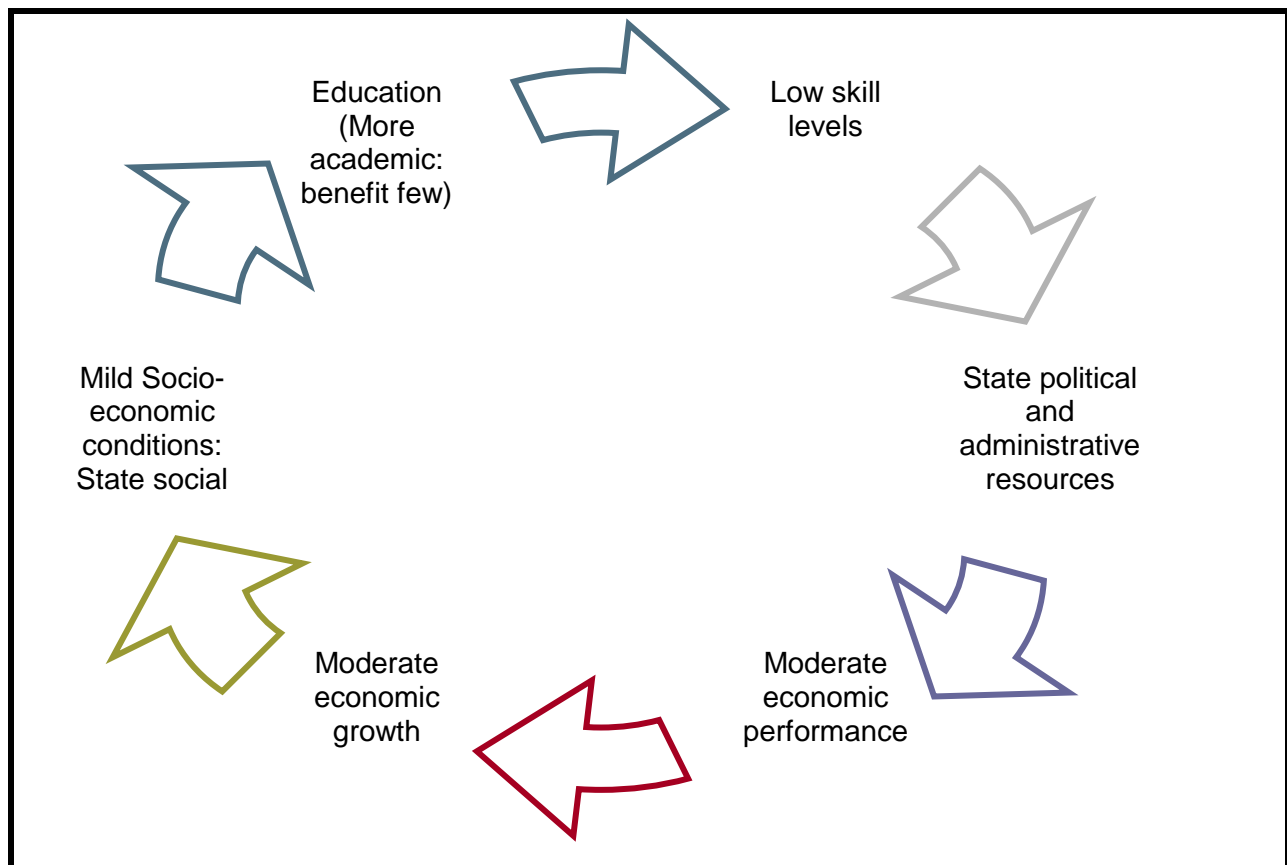


Figure 5: Diagrammatic representation of the findings on the link between education and economic development in South Africa (self-designed)

Figure 5 shows the reality in South Africa. While figure 4 showed what development should look like when good and responsive education is given a chance, figure 5 shows what the picture can look like when there is a serious neglect of a responsive education system. An education system that is more academically weighted does not provide the required skills for the country and the country heavily depends on the political and administrative resources which may include heavy borrowing from the World Bank and the International Monetary Fund (IMF). The dangers of borrowed resources is that the economic performance remains moderate or low and thereby creating a non-growing economy and this will negatively impact on the social conditions of the citizens, which in turn will translate into poor outputs in education.

3.4 CONCLUSION

The chapter presented the comparative research findings. The study first revealed that the developmental state initiatives in Japan and South Africa are completely different. The major differences being that Japan was dependent on industrialization for economic growth while South Africa is not, and with economic growth which is resource based. Further, the study revealed that education plays a major role in the development and economic growth of a country, hence a developmental state. However, the picture in South Africa shows a gap - a skills shortage, which the education system is failing to close thereby negatively affecting the quest of constructing a successful developmental state.

CHAPTER 4

OBSERVATIONS OF STAKEHOLDERS ON THE IMPACT OF EDUCATION ON THE CONSTRUCTION OF A DEVELOPMENTAL STATE IN SOUTH AFRICA

4.1 INTRODUCTION

In this section, the observations of different stakeholders regarding the impact of education on the construction of a developmental state in South Africa are discussed. Further, an envisaged model is presented and discussed in detail while aligning it to the literature study that was done and the on the observations from different stakeholders.

4.2 RESEARCH OBJECTIVES

As indicated earlier, the study attempts to answer the objectives of this study, they are:

- The impact of the South African education system on the prospects of a developmental state,
- The extent to which education influence the construction of a developmental state,
- Whether education in South Africa has any impact on the construction of a developmental state,
- The gap that the education system has to close in order to stimulate growth in South Africa, and
- The recommendations for closing the education gap in South Africa.

The first specific research question was dealt with through literature review in the previous chapter while the research question and objectives are addressed through a semi-structured questionnaire with open ended questions which was used to interview policy makers, policy implementers and specialists in the education sector and on economic development.

The following open-ended questions were asked during the interview:

- How would you explain the role of education in the economic growth of a country?
- Do you believe that South Africa's education system is playing any significant role in the economic growth of the country? Yes /No? Explain.
- What is your understanding of a developmental state?
- Do you think education plays any role in the construction of a developmental state? Yes/ No? Explain.
- Do you see South Africa fully achieving its quest to construct a developmental state considering the present state of the country's education system? Yes/ No? Explain.
- Give general comments on the nexus between education, economic development and construction of a development state.

The interviews were conducted on the 25th and 26th January 2011. Only two potential interviewees could not have time for the actual interview and requested to send their responses electronically, which they could not do as well. The slight anomaly was that Respondent 2, who is the Member of Parliament on the Portfolio Committee on Higher Education and Training, did not feel comfortable to respond to one question and that is 'do they believe that South African education system is playing any significant role in the economic growth of the country? The respondent did not give a reason why he did not feel comfortable to respond and it was not established whether it was by choice or due to other factors. Data obtained from the interviews were analysed using interpretive or thematic content analysis. It was important to analyse data by interpreting what has been provided through the themes based on the questions provided. The questions posed were used as themes that will guide the interpretation of the responses. Using the responses, the researcher was able to construct a consolidated view which was consolidated through the views extracted from the literature review.

4.3 THE FINDINGS ON THE OBSERVATIONS OF STAKEHOLDERS

In total, the researcher interviewed seven people from the education and economic sectors in South Africa. Members of Parliament from both Portfolio Committees on Basic Education and Higher Education and Training, officials from the Department of Economic Development and the education policy analyst responded. Officials from the Department of Basic Education and DTI did not respond to the questions.

The respondents confirmed that indeed education plays a very important role in economic growth. The indication was that education equips society and youth with entrepreneurial knowledge and necessary skills for kick-starting small business, (Response 1, line 1). It was further revealed that education and how the nation is educated, serves as a benchmark which the United Nations uses to measure development of a country. This therefore puts education at the centre of development. For the country's economy to grow, the country should have citizens who have the right skills and knowledge so that they can participate in the mainstream economy. However, it is a challenge to measure the effect of education on economic growth, but one cannot resist stressing that there are positive economic benefits in the case of a nation that is highly educated, (Response 4, line 1). In essence, the respondents believe that skills provision is a good start for the envisaged economic development.

The respondents further confirmed that education in South Africa is not responsive to the skills shortage challenge in the country. According to the respondents, on paper the desire to bring about education policies that respond to skills shortage is clear but on the implementation level not much is showing. Though responses to the second question are a mixed bag of feelings, two respondents believe that the education system in South Africa is not playing any significant role in the economic growth of the country. One respondent summarized it by saying that "currently it is not, but it is desired that it should, as it stands we are faced with serious issues of trying to shift from the system left by apartheid which in part has not made any strides nor impact in

ensuring the education role in our economic growth”, (Respondent 3, line 5). The first responded that “yes”, he does believe that South Africa’s education system is playing a significant role in the economic growth of the country, while the second respondent declined to respond to the question. The respondents are in concurrence with the OECD which suggested that in order for South Africa to address the skills challenge, the first thing is to “redress the injustices of the past” OECD (2008:3) and to address the challenge of “students outcomes and labour market relevance” (OECD 2008:3). The point of students’ outcomes is very relevant to the responses. Outcomes are only realized during implementation. Where skills policies and financial resources are available, there are results showing.

South Africa brought about curriculum changes that seek to move away from the skewed curriculum of the apartheid government. The main challenge is that the curriculum changes are not reaching the level where they can respond to the skills needs of the country so that everybody can participate meaningfully in the mainstream economy. The curriculum changes are more focused on the classroom and children’s activities. They don’t include the bigger picture of South Africa’s skills needs. The responses prove that there is a missing role which education is supposed to play, the role of skills provision, but in South Africa it is not happening. Generally the indication is there that the South African education system is failing to deliver and is thereby creating a developmental gap.

The developmental state is more about a good quality of life for the citizens and a good economic state of the country. What the respondents are arguing for is that in defining a developmental state one should attach to it the quality of life of the citizens. The economic side of the developmental state comes second according to some of the respondents. The argument is that for any country to grow economically it must first have an educated and healthy nation. The first respondent indicated that the developmental state is a situation where the government spends more to uplift the health and education of its citizens. The reasoning behind this is that education and health are the areas that prepare citizens so that they can participate in growth and

development in a meaningful manner. A healthy and educated nation is able to work productively and thereby able to contribute to the economic development and growth. The second respondent first warned that there was no proper definition of a developmental state, and indicated that only elements and characteristics of a developmental state are used to explain what it should be. However, to him, a developmental state is a state that concerns itself not only about its economic growth and development, but looks at the quality of life of its citizens. This is the qualitative contribution that the economy has on the living standards of the population. The third respondent stated that a developmental state is a state that takes the lead in development through state intervention. The respondents hereby confirmed what the literature study on the developmental state indicated. The concept itself has different definitions depending on the context and the economic situation of the country. However, the literature review confirmed that a developmental state should be defined along the socio-economic situation of the country. A developmental state is an economic situation in a country which translates into the improvement of the citizens' lives.

The fourth question looked at whether education plays any particular role in the construction of a developmental state. The respondents revealed that indeed, education plays a significant role in skills development suitable for economic development. All respondents except one agreed that education plays a meaningful role in the construction of a developmental state. Their understanding is that, on the one hand, education assists decision makers in making sound decisions, while on the other, it was further indicated that production in any country is dependent on its labour force which needs to be skilled in order to participate meaningfully in the economy. This is because education is about skills development, capacity, empowerment and knowledge and if this is the case, education is amongst the critical pillars in the construction of a developmental state, (Response 3, line 9). The response confirms what the model is all about. Education builds a foundation that allows development and governance to take place.

The last part of the questions gave participants an opportunity to give their general comments on the relationship between education, economic development and the construction of a developmental state. The respondents indicated that in a developmental state there must be good decisions informing the economic policies of the country which informs how the economy of the country will be grown, stimulated and sustained. The first respondent gave an example of Chile's economy which flourished because of the Chicago boys who had a rich education background from the University of Chicago. Therefore, education and economic development are the best ingredients for realizing a developmental state. South Africa is amongst the first countries in Africa to declare its intention to be a developmental state and its focus is on economic growth and development, whilst at the same time ensuring that education levels and health standards are highly prioritized. In other words, economic development should impact positively on people's lives.

The comparative study done above indicated that the conditions for constructing a developmental state in the countries being compared are extremely different. The other states were not democratic whereas South Africa is democratic. The other states depended heavily on industrialization while South Africa is dependent on the available resources and the political will. The other states had sufficient production and highly sustained economic growth, while South Africa lacks sufficient production and the economic growth is mild. The other states invested much in education and skills development while South Africa had challenges with the provision of education and lacks much in skills provision. The model in figure 5 shows education as a major anchor to skills and knowledge development that assists in economic growth and political direction that in the end guarantees better socio-economic conditions. According to the DHET (2009:13), "the primary driver of supply is undoubtedly the output generated by various education and training activities in the country. However, numerous other factors – such as those that determine the way the labour market operates – also play a significant role in shaping supply."

4.4 THE ENVISAGED DEVELOPMENTAL STATE MODEL

By using the comparative findings of a developmental state, comparative findings of the role of education in the construction of a developmental state and the findings on the observations of stakeholders on the impact of education on the construction of a developmental state in South Africa, the thesis culminated into a model. The model picks up from the links that education can make to other links that constitute a developmental state. The model is therefore a culmination of all the propositions that construct a developmental state. The model is presented in the following diagram.

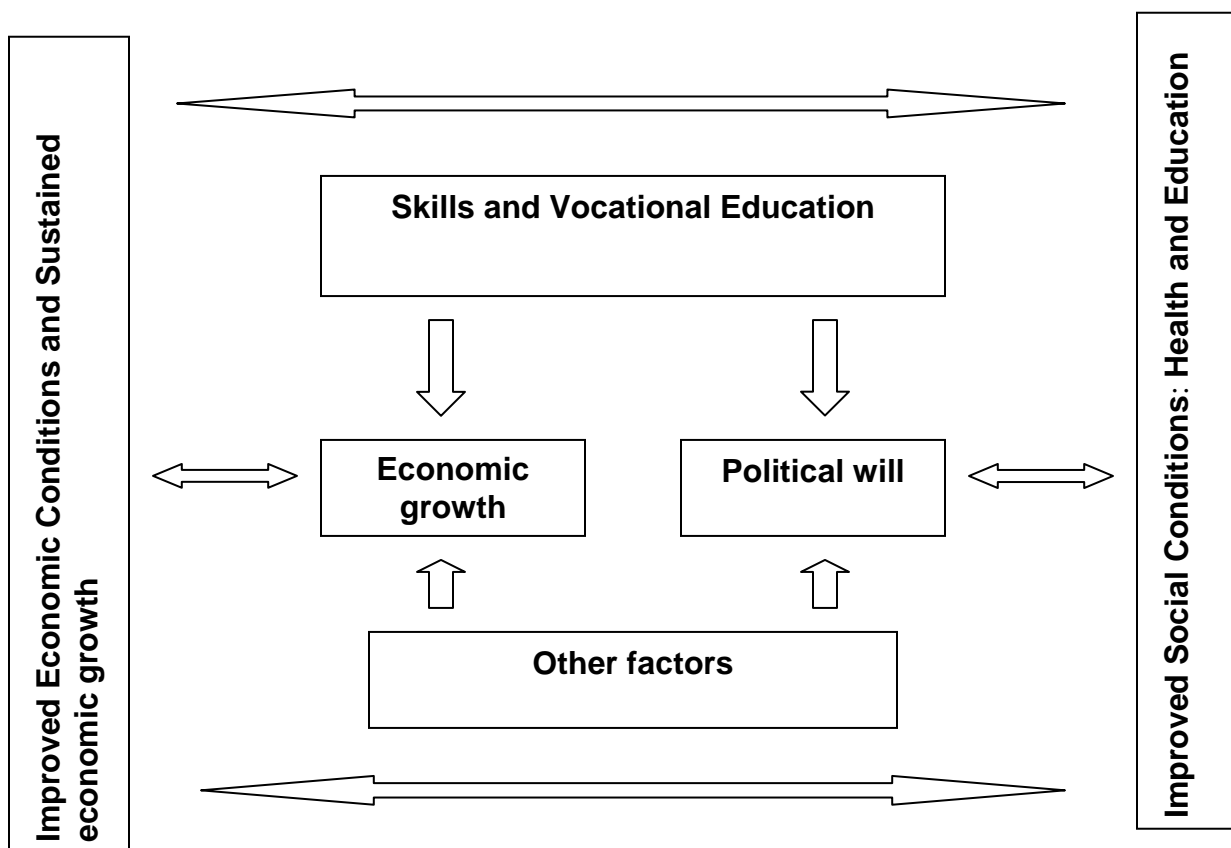


Figure 5: Possible Developmental State Model. (Self-designed)

The model suggests that development is an interlinked process. It is the process that encircles many factors, situations and characteristics. This is confirmed by the information presented at the conceptual framework and characterization of a developmental state in chapter 2.

The model is anchored by two vertical pillars. They are anchor pillars because they are the reasons why any country should embark on the initiatives to construct a developmental state. The first pillar for constructing a developmental state should be based on the quest to improve the economic conditions of the country for sustained economic growth. The second pillar of development should be based on the quest to improve social conditions of the citizens.

What the two pillars speak to is that the good and positive reasons for constructing a developmental state should be based on the government wanting an improved and growing economy in order to bring high returns to improve the social conditions of the citizens. It is not a good developmental stride if the country's economy is growing and yet the citizens are living in poor conditions. Development should be done to uplift the living conditions of the citizens. The only challenge is that uplifting such living conditions is mainly possible if the economic condition is in good standing and is sustainable. What the model presents is that improved economic conditions and the improved social conditions are two intertwined conditions. One leads to the other and vice versa. Improved living conditions contribute to a healthy and educated nation and workforce which will then be able to participate well in the economy. The two pillars are outcomes and impact indicators. This is where the country should measure the success of its education system. The World Bank Group (2011:1) confirmed this by saying that "education improves the quality of people's lives in ways that transcend benefits to the individual and the family, including the benefits of economic prosperity and less poverty and deprivation". It cannot be denied that the "development benefits of education extend well beyond work productivity and growth to include better health, reduce fertility, an enhanced ability to adapt to new technologies..." (World Bank Group 2011:2).

The model further indicates that a relevant and responsive education system connects the good flow between social and economic development. Education is vital for skills provision. It is vital to prepare a trainable future workforce. It is vital to provide vocational education. According to the model, education influences the achievement of

good spin offs in the economy of a country. The above conclusion simply means that for any state to get it right in terms of constructing a developmental state it must make its education system relevant to the expectations of the economy. Education that is not relevant to the demands of the economy slows down the aspirations of such a state to build a developmental state. When education influences economic growth, then the economic growth will impact on the economic condition of the country. This is possible through the outputs the country gets from the workforce that is appropriately skilled.

What the model presents is confirmed by the World Bank Education Strategy 2020 Brown (2011:vii) when they say that “at the individual level, while a diploma may open doors to employment, it is a worker’s skills that determine his or her productivity and ability to adapt to new technologies and opportunities.” Further, DHET (2009:13) indicated that “the primary driver of supply is undoubtedly the output generated by various education and training activities in the country”. What the model proposes is that skills development through education is the primary driver and a major propeller in the economy. The model suggests an education system that is able to skill people and education that is relevant to the 21st century economic demands so that the economy of the country can yield positive outcomes. This is confirmed by the World Bank (2010: Xvii) when it suggested that citizens need lifelong learning to be able to participate in the global knowledge economy. In fact the World Bank feels that productivity and growth is an ultimate goal that should be reached at by taking steps that are meant to assist people to deal with the demands of the recent economic expectations. The steps to productivity and development that the World Bank presents are “developing the technical, cognitive, and behavioural skills conducive to high productivity and flexibility in the work environment through early child (hood) development (ECD) and basic cognitive skills and by building stronger systems with clear learning standards, good teachers, adequate resources, and a proper regulatory environment”. All these steps are education-bound and they range from education that assists in preparing the cognitive, technical and behavioural skills. The model puts vocational education and skills at the centre of development in South Africa. It presents a challenge to the South

African government and it must make sure that its education system provides for skills and vocational education.

Flowing from the good education outputs citizens will possess the required skills and will be able to participate meaningfully in the economy. When citizens possess the required skills, they increase the levels of production and the economy grows. South Africa is reeling under skills and vocational shortages. To support the view that the right education assists in economic growth, the Department of Economic Development (2010: 19) in its growth path recognized that “general education must equip all South Africans to participate in our democracy and economy”. In essence a sustained economic growth is dependent on appropriately skilled people.

Parallel to economic growth, the model submits that political will is equally important in the construction of the developmental state. This has been evident in many states that had good economy standing but the political will proved to be a stumbling block in the quest of constructing a developmental state. This was confirmed by Woo-Cumings. Woo-Cumings (1999:1) defined a developmental state as “shorthand for the seamless web of political, bureaucratic, and moneyed influences that structures economics in capitalist Northeast Asia”. According to Fine (2010:171), this “means that the developmental state seeks political legitimacy by being developmental with success in the economy allowing it to sustain itself”. The two definitions indicate that political will is important. The model presents political will as the factor that sets the right environment. If politicians are willing, they will make sure that the environment is conducive to the constructing of a developmental state. They will legitimize the vision of constructing a developmental state. The ANC in South Africa is a good example. Due to its political commitment to constructing a developmental state, it has transcended its vision regarding the state for implementation.

Political will can also take a policy level angle. This was confirmed by Mkandawire (2004:2) when he indicated that “the *state-structure* side of a developmental state “emphasises capacity to implement economic policies sagaciously and effectively. Such

capacity is determined by various other factors such as institutional, technical, administrative and political factors.” This was further concurred by Fine (2010:171) when he said that the economic school is totally in contrast with the political school because it is “exclusively preoccupied with appropriate economic policies or rationale for them, as opposed to the political (and Ideological) conditions that made them possible”. This indicates that a developmental state is an ideology that must be translated into a policy. However, policies depend on political factors for successful implementation.

The important aspect to indicate is that political will without the compassion and full understanding of social challenges of the citizens does not help either. This is because the model connects the political will with improving the social conditions of the citizens. There are clear examples in some countries where the economy grows but citizens do not benefit in any way and the citizens remain in abject poverty. Political will plays a crucial role in the distribution of wealth to the poor. Greedy politicians do not feel responsible for improving the social conditions of the citizens. Besides greed, this can be due to skewed financial resources allocation. Other politicians would prefer to allocate more to departments and secure their political authority rather than improving the social conditions of the citizens. Therefore, political will is closely aligned to the pillar that defines the improved social conditions of the citizens.

The model suggests that education receives support from other factors in order to completely influence the construction of a developmental state. In terms of the model, these are the factors that complement education. Their impact is mainly to consolidate the gains that education has presented in the socio-economic conditions of the nation. Some of these factors were discussed during the conceptualizing phase of a developmental state. They are the ability of state to intervene in the economy; public-private partnerships; an educated, competent and strong bureaucracy and good governance. These factors are very crucial because they can make or break the socio-economic pillars that build the developmental state. The competent bureaucracy is crucial in the implementation of the policies. Incompetent bureaucracy can cost the

nation dearly because of its failure to render good service and can either waste resources or take detrimental decisions. Public-private partnerships are crucial in the further implementation of developmental policies. They assist in the adding resources to the developmental fold and they assist the state in make huge strides with few available resources. However the recent governance challenges in some other states proves to be a stumbling block to developmental initiatives. Poor governance waste resources and robs citizens of the well-deserved service delivery. Certain concepts of the New Public Management (NPM) further indicate that the outsourcing process of services to the private providers is also a cause for concern due to the challenge of incompetence and corruption.

It can be concluded that the environments for developmental state construction differ from one state to the other. But the observation is that no matter how different the environments are, education remains central and crucial in the skills provision and hence the building of a developmental state. Other factors just add up to education and they consolidate the socio-economic gains achieved through the construction of a developmental state. This is because of the fact that fundamental to any developmental state, regardless of the differing conditions, is the role education plays in the provision. The success of the other states goes hand-in-hand with how skilled their workforce is. The skilled workforce builds a strong economy that is coupled with a positive political will to bring socio-economic benefits to the nation.

4.5 CONCLUSION

The previous chapter revealed that although the developmental state initiatives in Japan and South Africa are different, the economic growth is what matters, be it through industrialization or resource based. This chapter presented confirmation by the respondents to a questionnaire, who confirmed overwhelmingly that education plays a very critical role in economic growth, however they warned that there are other factors as well that play a significant role in economic growth. Education equips society and particularly young people with skills and knowledge that put them at the centre of development. However, the situation in South Africa is that as much as every person

has an opportunity to attend school, they come out ill-prepared for the economic realities of the globalized world. The state at present concerns itself on economic growth and development but there are still shortcomings because most of the workforce is not well-skilled. This may pose a challenge to the quest of constructing a developmental state in South Africa. Finally, the chapter elucidated the envisaged model for a developmental state.

CHAPTER 5

CONCLUSION AND RECOMMENDATIONS

5.1 INTRODUCTION

This chapter presents the conclusion of this thesis. It concludes on all matters presented from the literature review, research design and the methodology used in this research, interpretation and the findings. It culminates by presenting the recommendations that are crucial in closing the gap that has been identified.

5.2 OVERVIEW OF THE STUDY

The study focused on the impact of the South African education system on the construction of a developmental state, in particular to what literature says about the conceptualization and the characteristics that shape a developmental state. This was done by looking at the relationship between education and economic development. Further, the study looked at the education system in South Africa and the role it plays in the quest of constructing a developmental state. Chapter 1 introduced the role of education in the global economy, the concept of the developmental state and its background in the South African context and the problem statement was presented. The problem was whether South Africa has a strong enough education system that can propel the desired production and economic growth necessary to assist in the optimal development of the country which can lead to the realization of a developmental state.

The research relied on the literature review which was presented in Chapter 2. The literature review revealed that the construction of a developmental state is underpinned by different processes and activities that differ from country to country, particularly in the context of South Africa and the Asian Tigers which were the focus of this research. Constructing a developmental state depends on the political will and context, the economic drive, state of the bureaucracy and the interventionist policy of that particular state. The review revealed that some states established developmental states under authoritarian regime while others preferred democratic regime. What is central and

crucial is that each state puts forward and advocates a very strong economic policy. In some states it is led by the industrialization policy, while in South Africa it is based on political resources. This is because any envisaged industrial policy cannot be operational due to lack of skills that can drive production. The review revealed that South Africa lacks production skills due to an unresponsive education system. Though the debate developed on whether education matters, the review revealed that education does matter in economic growth though it is not the only means thereof.

Chapter 3 presented the comparative research findings. The study first revealed that the developmental state initiatives in Japan and South Africa are completely different. The major differences being that Japan was dependent on industrialization for economic growth while South Africa is not, and with economic growth which is resource based. Further, the study revealed that education plays a major role in the development and economic growth of a country, hence a developmental state. However, the picture in South Africa shows a gap - a skills shortage, which the education system is failing to close thereby negatively affecting the quest of constructing a successful developmental state.

Chapter 4 presented confirmation by the respondents to a questionnaire, who confirmed overwhelmingly that education plays a very critical role in economic growth, however they warned that there are other factors as well that play a significant role in economic growth. Education equips society and particularly young people with skills and knowledge that put them at the centre of development. However, the situation in South Africa is that as much as every person has an opportunity to attend school, they come out ill-prepared for the economic realities of the globalized world. Finally, the chapter elucidated the envisaged model for a developmental state.

This chapter, chapter 5, draws the conclusion and recommendations from this study. The conclusion is done in the form of summaries of the findings of the research question and specific research objectives presented at the beginning of the study. Finally, a roundup conclusion is given.

5.3 SUMMARY OF THE MAIN FINDINGS

This section summarizes the findings relating to the problem statement, research objectives and the results as presented in chapter 4.

The problem statement of this research indicated that South Africa has been struggling with a skills shortage challenge and the education system has been identified as falling short in assisting to address the skills shortage challenge. The findings, indeed, confirmed that there is shortage of skilled workers and this has been confirmed as a constraint to the economic development of the country.

The first specific research objective looked at what different literatures say about the construction of a developmental state. This research question was dealt with through conceptualization and characterization of a developmental state. The developmental state was seen to be a state that prioritizes economic development in government policy while it was characterized as using industrial policy to grow the economy. It was found that the Asian tigers were able to use industrialization as a key policy while South Africa has challenges with the industrial policy implementation due to skills shortages. This raised issues that made the researcher focus on the following specific research objective.

The second specific objective focused on the influence of education on the economic growth and hence construction of a developmental state. The world economies have changed and they need a more skilled workforce. This is possible through the contribution education makes from primary level right through to the higher education level. The findings were that education matters, it has a critical role to play in preparing the labour force that is economically relevant. This created an education and economic development nexus. Different stakeholders confirmed that education plays a significant role in economic development through basic education and skills provision. According to the World Bank Education Strategy 2020 (2011:vi) “the driver of development will,

however, ultimately be what individuals learn, both in and out of school, from preschool through the labour market.”

The findings indicated that the developmental state is basically a consequence of sustained economic growth. Further, the study found that sustained economic growth depends heavily on a properly educated and appropriately skilled work force. A danger to the opposite of the above is an economy that is stagnant. Therefore, access to education, besides being a fundamental constitutional human right, is also a good investment strategy for development. For any country to realize its strategic development initiatives it must invest in its population and the only tool is education. What drives development is what people learn. Therefore education is regarded as a good driver of socio-economic development.

The third specific objective was to check if South Africa was responding well to the quest of developmental state construction. The findings were that South Africa has a political will to do so. However, there are a lot of issues that must be addressed if it wants to realize the dream of successfully constructing a developmental state. Most successful developmental states were pushed through by industrial policies and undemocratic practices that enslaved people to produce more. South Africa is struggling with implementing its industrial policy due to lack of skills that can promote industrialization. Its preference of democratic principles ahead of authoritarian principles presents a sceptical environment in which to construct a developmental state. Therefore, the findings presented a situation where South Africa cannot easily find it plain sailing to construct a developmental state if it has to follow the footsteps of the Asian Tigers.

The fourth specific research objective was to assess the impact of education on the construction of a developmental state. Recounting from the past, education did not do much to prepare the South African workforce in terms of skills development. There was no provision of skills that were economically and development relevant. This was due to apartheid policies and the country's dependence on natural resources to grow the

economy. The new South Africa brought policy changes that were meant to address the challenges of the past including the skills challenge. However, the curriculum reforms made at school level are still more academic than vocational. The other studies showed that the FET curriculum is not responding well to addressing the skills challenge. The higher education, just like the primary and secondary school levels, is also academically oriented. Creating an education system that is responsive to the new economic challenge is what South African needs. Presently the impact made by education to the economic development in the country is very minimal and a lot still needs to be done. The last finding is that there is a gap in the economy and development that is expected to be filled by a proper provision of education. However, South Africa is tangled in that void and education in the country is unable to close that void. This means that the education of the country from the basic to higher education and training lacks the learning component that is able to prepare people for job opportunities. This gap results in growth stagnation and vulnerability of the work force that is on duty. It is easy to retrench unskilled people while young people who are unskilled have difficulty in finding employment.

In essence, one would say that in South Africa, enablers “for education for employment are missing, the demand for education for employment is substantial, while supply is nascent” (World Bank 2011:9).

5.4 CONCLUSION AND RECOMMENDATIONS

This chapter presents conclusion and recommendations that are meant to remind the nation that all is not lost. The thesis presented valuable lessons about the link between education and economic growth. The thesis has managed, through literature review and interview responses to prove that education is regarded as central to development. The thesis proved that education is one way of enhancing people’s chances of being employed.

The conclusion is that the trajectory of constructing a developmental state is totally different from that of Asian Tigers like Japan. South Africa’s economy is resource based

and not much industrialization is taking place. Due to that reason South Africa needs to be more innovative if it wants to create a credible developmental state. The fact that the conditions in South Africa are different from that of the Asian Tigers means that South Africa needs to come up with a different approach to theirs. Whatever South Africa needs to come up with should assist in development and economic growth.

However South Africa is experiencing a skills shortage and this threatens its development. The study found that the serious skills shortage is due to the unresponsive education system which ultimately is creating a gap in the skills provision. The thesis presents the recommendations and lessons South Africa was supposed to have learned since the dawn of democracy.

South African spends about 6 per cent of its GDP in education. It is also regarded as one country that pays its educators well but learner performance is persistently very low and skills provision minimal. Unemployment is very high for young people in South Africa (sitting at 51 per cent for the 15 to 24 years and 29.1 per cent for the 25 to 34 years olds); young people are a poor and low skilled labour force; and the education system is unresponsive to such challenges. Strong remedial approaches are needed to address the challenges. It will need South Africa to address the GET, FET and higher education and training systems. The challenge for South Africa is to recreate an education system that can assist to bring improved development. What the thesis will call for is a high level of reform of the education system in the country. The scope and priority of such reform is to have education that provides skills and vocational training. The starting point is to create an enabling environment and the ECD, GET, FET and higher education phases.

Where does South Africa start reforms as a country? According to the World Bank (2011:viii), “the science of brain development shows that learning needs to be encouraged early and often, both inside and outside of the formal schooling system”. What is clear at present is that the learning environment outside school is not conducive for children to learn due to high levels of poverty. This places the responsibility of

nurturing the brains of young people on the Department of Basic Education. However, the department has been shying away from the responsibility, pushing it totally to the Department of Social Development (DSD). The DSD has been, for a long time, the custodian of early childhood development (ECD). However, ECD under the DSD has been marred by teaching that is of poor quality. This was attributed to ill-trained teachers, lack of relevant programmes, unavailability of learning centres across the country, and shortage of proper Learner Teacher Support Materials (LTSM).

The Department of Basic Education (DBE) has taken over Grade R, which is a learning programme for the six year olds. So far the Department has managed to enrol over 900 000 children into the programme. This is a good initiative because more children are getting an opportunity to learn. But the programme itself in the DBE is also marred by a lack of properly qualified teachers. This is attributed to the closure of teacher training colleges and that the universities are failing to train teachers suitable for teaching in the foundation phase. One would therefore recommend that the DBE extend the ECD programme to cater even for the pre-6years or pre-grade R children. This is because the DBE has readily accessible physical structures in different villages across the country. It cannot be business as usual. The department needs to learn a lesson, cognitively; learners are better prepared at ages lower than 7 years. The Department has to establish ECD classes for ages 4 and 5 in schools. This can be phased in gradually due to resource challenges. This means that the department has to work very hard to overcome the challenges mentioned above.

South Africa needs to measure its learning levels against other developing and developed countries. One can commend the country for its participation on the TIMSS and PIRLS assessments. This laid bare wide knowledge and skills gaps in the country's education foundation phase. Learners could neither read nor write simple numeracy tests. Though the performance was poor, it gave South Africa a baseline on which to lay a foundation. In 2010, the department introduced its own annual national assessments (ANA) to further lay a foundation. ANA was subsequently written in February 2011 and the results are expected in June 2011. This is a step in a right direction and the

advantages cannot be over-emphasized. These types of assessments give children “foundational literacy and numeracy in which life-long learning depends” (World Bank 2011: viii). However the main worry has been how learners perform in such standardised tests.

Outputs in the education system in South Africa do not equal the material investments the country is making. Government has been pumping money into the system for physical resources. However, the Department needs to start demanding visible outcomes that match the resources they are putting in. Financial injection has assisted the country to fare well in the MDGs universal access to education, but quality is not forthcoming. There is a dire need for accountability and good governance in the education system.

The literature review revealed that learning achievements and outcomes are serious challenges in South Africa. There is an indication that “teacher performance and quality of leadership (the principal) are the most important factors that contribute to poor outcomes of learners in South Africa” (National Planning Commission 2011:15). This is attributed to teachers spending less time in class and thereby unable to finish the grade’s syllabus, poor subject knowledge by the teachers and lack of properly qualified mathematics and science teachers. The Department must make efforts to change the situation around. While trying to deal with accountability and governance challenges, the department is always faced with teacher union resistance. Recently the national planning commission revealed that strike actions in the country take 5 percent of school time through bargaining over salaries, governance and conditions of service matters. Disagreements on these matters often lead to protected and sometimes unofficial strikes thereby raising questions on the teachers’ commitment to accountability and orderly governance in schools. Teacher unions’ resistance poses a hurdle that the Department needs to find a way to address. What makes it more challenging is that the unions have also noted the weaknesses of the Department and they therefore capitalize on such weaknesses to derail the accountability and governance initiatives and this therefore affect results. To foster increased accountability and results, the department

needs to present a new culture in the education system that seeks to respect commitment to duty by teachers. It needs to reform the relationship of accountability amongst the different stakeholders. The stakeholders affected are teachers, national and provincial departments of education, parents, and teacher unions. Each role player needs to measure its role to support accountability and governance. In South Africa, this could have been possible through Quality of Learning and Teaching Campaign (QLTC), but the campaign seems to be weak and poorly led. Besides the QLTC there is a desperate call to change things around by the government on accountability and governance in schools. The call by the President in his 2011 state of the nation address that teachers must be class, teaching and on time shows how desperate the situation is.

The other profound change that can be recommended is a responsive curriculum. As indicated earlier on the basic education line, the gap was associated with curriculum unresponsiveness. The curriculum in the basic education system is mainly academic in nature.

It is clear that the current curriculum system caters for only those who are outstanding academically and that the majority of school leavers (whether after completion of the matric or prior to it) are unable to access decent work opportunities at which they can develop and enhance their qualifications over time. In other words the schooling system does not set the average learner onto a career path. It is therefore important to relook at the effectiveness of the current academic stream schooling and test it in relation to the needs of young people and its ability to meaningfully impact on their lives. It is correct that a grade 12 in its current form is designed to lay a firm foundation for further academic study. It is far more dismal for those who for whatever reason are unable to complete their grade 12. In order to effect major transformation of the schooling-system, (and thereby the post schooling landscape), it is absolutely crucial that the employability of young learners leaving the school system should feature within the mix of objectives of the school curriculum. In other words, the curriculum objectives must be reflective of various needs of learners and those of society at large not only the academically gifted or aspirants.

To optimize the availability of equitable outcomes for learners, the schooling system should enhance learning opportunities to maximize opportunities for learners to successfully complete their schooling and more importantly prepare them for the labour market, as well as continue to support an academic education. In other words the curriculum should be diversified into two streams one that features an academic stream and one that may be called a vocational stream. These streams will promote a range of learning options for learners but will importantly provide an equal schooling qualification that will enable higher learning that responds to the country's economic needs. The difference will be that upon completion of the vocational stream young people will be skilled enough to find useful employment or self-employment and would be set along a specific vocational path within which they can develop through life-long learning. The fact that our schooling system is bereft of any meaningful vocational education coupled with the fact many young people are not exposed to graduate role-models in South African communities and within their social circles results in a lack of interest in a post-school qualification, as not many young people are inspired towards vocations and professions that require many years of sacrifice and dedication.

The curriculum reforms that have been taking place since the dawn of democracy are not meant to solve the skills challenge of this country. The basic education curriculum is not proving to be a good enabler of skills provision for better employment. There is a need to turn the basic education system in South Africa to cater for both – those who intend to become academics and those who may need to quit school to quickly fend for their families, due to the poor socio-economic conditions their families.

The FETs and higher education and training institutions in South Africa face similar challenges, of not responding to employment and economic expectations. The recommendation will be that FET and universities should opt for education for employment. FET was meant to be an alternative for learners who may want to branch off from grade 9 and the normal academic classes and rather opt for different career choices. But it is also clear that within the FET sector there are difficulties relating to

failure and drop-outs not unlike in the normal schooling system. Again largely this may be attributed to the failure to provide different learning options for those who may not operate at an optimal level within a purely academic stream. The fact that many youth continue to find themselves without viable alternatives after completing their schooling is a reality that must be fully appreciated and understood in order for government to design policies to realize its priority of ensuring that more young people are skilled and employed. While increased governmental support through initiatives such as the National Students Financial Aid Scheme (NSFAS) or other similar bursary schemes are laudable and have improved access to universities and colleges, it should be noted that these schemes are aimed at learners who have achieved within the academic stream. However the recent review of NSFAS also points to material deficiencies that do not allow the poorest of the poor full access to higher education regardless of the scholastic capabilities of the learners in question.

A case in point is a pure academic pre-requisite for learners to register at FET colleges. What the thesis recommends is a purely vocational education and training at FET level. It is well acknowledged that vocational education and training aims “to provide students with applied skills in a particular trade or occupation”, (World Bank 2011:10). The vocational education should be modelled against any academic interference. It should be more vocational. At present the courses offered at FET colleges are seventy per cent academic and thirty per cent vocational. Learners who are frustrated by academic courses at FET end up dropping out. South Africa’s misguided on the misfortunes of the vocational education and people end up regarding it as lower class education compared to university education. The transformation of vocational and technical colleges into FET colleges reduced the vocational component of the studies.

University education is doing a good job in its own right. It is producing graduates that are employed at different sectors of economy. But “the practicum elements of degree programmes” World Bank (2011:10) is not basically skilled oriented. In South Africa, particularly at black universities, “too large number of students pursue courses in social sciences and arts, while insufficient numbers study disciplines demanded by job market”

(World Bank 2011:10). Already this is a recipe for unemployment. Large numbers of graduates are unemployable in South Africa. It is no use acquiring diplomas and degrees and stay at home. While in some instances such diplomas and degrees can open employment doors, what are important are skills that ensure quick employment, productivity and good chances of adaptability to latest technologies and forthcoming opportunities. Further, South Africa has a large number of students who have incomplete academic degrees or diplomas but are not getting placements in companies because of the lack of practical experience to fully complete their qualifications. This says that there is something wrong with the higher education system. There is a dire need for reform of the higher education system, if not the department will have to come up with alternatives that will address such shortcomings. There is a need to have institutions that offer work-readiness training. The best approach will be to focus either on skills that on demand in employment or on equipping students with entrepreneurial skills required starting your own business. This needs” close relationship with business to enable a good understanding of a private sector expectations for curriculum, delivery, cost and evolving business needs” (World Bank 2011:10).

5.5 CONCLUSION

This chapter was a culmination of the studies. It was a summative presentation of the study and the presentation of the recommendations. This study concluded by highlighting the relevance and the role education plays in the economic development of a country. It further highlighted the challenge South Africa is faced with in its quest to construct a developmental state, particularly with its education policies which lack the provision of the most needed skills. With education being regarded as a significant propeller of economic growth, South Africa fell short in comparison to other countries, particularly the Asian Tigers. South Africa fell short mainly in the provision of education that provides the skills required in the modern economies. Therefore the prospects of constructing a developmental state in South Africa will continually face challenges if the education system within the country is not turned around to provide the required skills. This was recognized as a critical gap which the education system in the country is currently failing to close.

The study therefore presented recommendations ranging from policy level to the implementation and delivery thereof. The recommendations are ground breaking because South Africa needs to wake up, learn the lessons of development and economic growth and bring changes in the education system that will assist in the skills revolution in the country. The starting point is to make more provision in the foundation phase, particularly the pre-grade R. There is a need to nurture the cognitive ability of the young ones. There is a need to continue with grade R education but it needs to be a more concerted effort through the provision of quality teachers and LTSM. There is also a need to do something to improve the performance at the foundation phase and intermediate learners in the international benchmarked tests. The country has introduced the ANA with the hope of improving at this level. One of the recommendations is that South Africa needs to overhaul the schooling FET phase to include also vocational subjects with a view of creating two streams that will cater for both the academically gifted and vocationally talented. This will need serious curriculum reforms. Finally the country needs to revitalize the FET colleges' courses and to detach academic subjects from a vocational sphere. Universities need to tone most of their subjects to be more focused on education for employment.

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APPENDICES

APPENDIX A

INTERVIEW SCHEDULE AND QUESTIONS

Your Designation and Department: _____

Place: _____

Date of Interview: _____

Time of Interview: _____

The following open ended questions were asked during the interview:

1. How would you explain the role of education to the economic growth of a country?
2. Do you believe that South Africa's education system is playing any significant role to the economic growth of the country? Yes/No? Explain.
3. What is your understanding of a developmental state?
4. Do you think education plays any role to the construction of a developmental state? Yes/ No? Explain.
5. Do you see South Africa fully achieving its quest to construct a developmental state at the present state of the country's education system? Yes/ No? Explain.
6. Give general comments on the nexus relationship between education, economic development and construction of a development state.

RESPONSE 1: ACADEMIC AND EDUCATION ANALYST

1. How would you explain the role of education to the economic growth of a country?

2. Education equips the society, in particular, learners (youth) with entrepreneurial knowledge base.

3. This is important in equipping them with the necessary skills for kick-starting small businesses which have the potential of growing into big businesses.

4. Youth participation in the economy helps stimulate its growth and it is through education that initial skills are taught in subjects like EMS.

5. The GDP of a country is somehow influenced by economic activities.

6. Education is best placed to stimulate the zeal out of the society, to acquire skills in business especially at school level.

7. However, ABET centers as well assists with basic literacy and numeracy for self-employed members of the society.

8. This knowledge base is essential in helping the elderly to participate in growing the economy of the country through informal business).

9. Do you believe that South Africa's education system is playing any significant role to the economic growth of the country? Yes/ No? Explain.

10. Yes. Take basic literacy for example. Individuals from the society are employed and paid in proportion to their qualifications.

11. The measure of tax bracketing in relation to the PAYE determines how much contribution one pays for the tax.

12. The revenue collection is one of the best ways in which state-income is generated.

13. The low income earners are not exempted from paying tax. In most instances, the highly educated are taxed more and their tax accrual goes to the pocket that connects to the broader economy of the country.

14. What is your understanding of a developmental state?

15. A developmental state is a country or a state in which more spending is on both health and education by government.

16. These are the areas upon which future growth and development of a society are based.

17. Simple logic states that a healthy nation will be able to work, thus having a role in the development and growth of a society.

18. An educated society will be able to influence decisions based on the development agenda of a particular state.

19. Do you think education plays any role to the construction of a developmental state? Yes/ No? Explain.

20. Yes. Decisions, as explained above, are more informed by the reasoning which is fair, acceptable and balanced.

21. Lack or poor education level might plunge the society into deep problems.

22. A developmental state must have education as a critical component that helps to steer and moderate essential decisions on development priorities.

23. Do you see South Africa fully achieving its quest to construct a developmental state at the present state of the country's education system? Yes/ No? Explain.

24. Yes. Critical to this is the pace at which S.A is moving towards advancing the goal.

25. There are factors that might delay the speedy realization of this ideal especially in the area of education.

26. The ever-changing curriculum and teacher readiness form the weaker links in the strategy towards achieving the objective in question.

27. Nonetheless, in the area of health, the country seems to be doing well.

28. The priority on TB, HIV and other diseases shows its commitment to move towards being a developmental state.

29. Give general comments on the nexus relationship between education, economic development and construction of a development state

30. For a country to become a developmental state there must be good decisions informing policies with which the economy will be grown, stimulated and sustained.

31. Economic development is therefore informed by the quality of workable decisions taken by officials using theories backed by strong educational background.

32. Let's consider Chile for example.

33. Its economy once flourished in the eighties because of the Chicago boys with a rich educational background obtained from University of Chicago.

34. Education and economic development are the best ingredients for realizing a developmental state.

RESPONSE 2: MEMBER OF PARLIAMENT PORTFOLIO COMMITTEE ON HIGHER EDUCATION AND TRAINING

1. How would you explain the role of education to the economic growth of a country?

2. Education in all its facets broadly plays a very important role in the economic growth of a country towards a developmental strategy.

3. Firstly, in developing countries, the United Nations measures the development of a country by looking at education and health standards. Most developing countries have high illiteracy rate and high infant mortality rate.

4. Do you believe that South Africa's education system is playing any significant role to the economic growth of the country? Yes/ No? Explain.

5. No response.

6. What is your understanding of a developmental state?

7. We should first understand that there is no proper definition of what a developmental state is.

8. Only elements and characteristics of what a developmental state is are used.

9. However, a developmental state is a state that concerns itself not only by its economic growth and development, but looks at a quality of life of its citizens.

10. This is the qualitative contribution that the economy has on the living standards of the population.

11. Therefore, the citizenry is able to access high living standards and services.

12. Do you think education plays any role to the construction of a developmental state? Yes/ No? Explain

13. Yes, to the extent.

14. By the level of education of citizens, it is to that extent that citizens can confidently participate in the economic activities of the country.

15. Production of any country is depended more on its labour force which needs to be skilled to participate meaningfully in the economy.

16. Health issues in terms of studies show that where people are educated, particularly women, they take care of themselves and children and diseases are minimal.

17. Do you see South Africa fully achieving its quest to construct a developmental state at the present state of the country's education system? Yes/No? Explain

18. Yes, in that the South African education system seeks to achieve universal access to education by everybody.

19. All children are supposed to be at school learning. Everything is being done to reduce drop-out rate.

20. The budget for education is high which must translate in quality education being delivered.

21. The National Skills Fund is also one of the intervention measures that would bring the skills revolution in the country.

22. A refocus on the FET has brought a sense of prioritizing trades that are required by the market.

23. Give general comments on the nexus relationship between education, economic development and construction of a development state

24. South Africa is among the first, if not the only country in Africa that has declared to be a developmental state.

25. The focus is on economic growth and development whilst at the same time ensuring that education levels and health standards are highly prioritized.

26. This means that economic growth and development should impact positively on people's lives.

RESPONSE 3: MEMBER OF PARLIAMENT PORTFOLIO COMMITTEE ON BASIC EDUCATION

1. How would you explain the role of education to the economic growth of a country?

2. Firstly, for any country's economy to grow the country must produce quality and marketable skills which will ensure that there's balance of knowledge and skills required for its growing economy.

3. Education is central and key to this because the extent to which economy grows is measured by level of skills the education of the country produce.

4. Do you believe that South Africa's education system is playing any significant role to the economic growth of the country? Yes/ No? Explain

5. Currently it is not, but its desired that it should, as it stands we are faced with serious issues of trying to shift from the system left by apartheid which in part has not made any strides nor impact in ensuring that the education role on our economic growth.

6. What is your understanding of a developmental state?

7. Developmental state refers to state where the focus of government centers around issues of development and it takes centre stage in all what government does.

8. Do you think education plays any role to the construction of a developmental state? Yes/ No? Explain

9. Yes it does, education is about skills development, capacity, empowerment and knowledge and if this is the case, it is amongst the critical pillars of the construction of a developmental state.

10. Do you see South Africa fully achieving its quest to construct a developmental state at the present state of the country's education system? Yes/ No? Explain

11. No it has not

13. Give general comments on the nexus relationship between education, economic development and construction of a development state

14. No response

RESPONSE 4: OFFICIAL DEPARTMENT OF ECONOMIC DEVELOPMENT

1. How would you explain the role of education to the economic growth of a country?

2. It is quite a challenge to measure these two aspects, but one cannot resist stressing the importance of education.

3. Most educated (coupled with qualification) have better jobs and contribute to growth.

4. Also, one is able to become innovation and create further jobs.

5. There are positive spill overs in the case on nation that is highly educated.

6. Do you believe that South Africa's education system is playing any significant role to the economic growth of the country? Yes/ No? Explain.

7. No.

8. The system seems to be far withdrawn from the industry.

9. What is your understanding of a developmental state?

10. My understanding is the ability of the state in taking the lead towards development.

11. No so to mean state intervention but plays a critical role in creating environments that leads to growth and development.

12. Do you think education plays any role to the construction of a developmental state? Yes/ No? Explain.

13. NO.

14. I think for South Africa, the education system is still weak.

15. We have a large pool of uneducated adults (past dispensation) and a large pool of unemployed youth.

16. How will the government balance this?

17. Do you see South Africa fully achieving its quest to construct a developmental state at the present state of the country's education system? Yes/No? Explain.

18. My worry on this is the clear definition of a developmental state.

19. I take South Africa to be a consensual state and in this regards would be able to difficult to address bottlenecks in the education system.

20. I think there is too much democracy in education and this has resulted in lack of a learning culture in our schools.

21. Give general comments on the nexus relationship between education, economic development and construction of a development state

22. Education (creativity, innovation, skill, expertise) = Better employment (increased productivity, innovation) = Growth and better standards of living. I would like to couple the education with health as well.