

**HUMAN CAPITAL DEVELOPMENT: AN EXAMINATION OF THE
CONTRIBUTION OF FORT HARE UNIVERSITY TO THE
SOCIO-ECONOMIC DEVELOPMENT OF ALICE AS A
UNIVERSITY TOWN.**

By



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Together in Excellence

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Supervisor

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DECLARATION

I declare that **"HUMAN CAPITAL DEVELOPMENT: AN EXAMINATION OF THE CONTRIBUTION OF FORT HARE UNIVERSITY TO THE SOCIO-ECONOMIC DEVELOPMENT OF ALICE AS A UNIVERSITY TOWN"** is the author's original work and has never been submitted by the author or anyone else at any university for academic purposes. All the sources that I have referred to have been indicated and acknowledged as such by means of complete references.



Tabisa H. Ralo (Mrs)



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Abstract

This study outlines a framework for human capital development of Alice in Nkonkobe municipality based on analysis of the existing economic structure and dynamics. The approach to this is from three angles: collection and analysis of relevant information, identification of key challenges facing the municipality and mapping out options available to address such challenges in accordance with longer-term development goals. In mapping out options, the contribution of Fort Hare University to the socio-economic development of Alice as a university town is examined.



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The study focuses on human capital development as a process, which will in turn enhance the economic development of Nkonkobe municipality with specific reference to Alice as home of Fort Hare University. The study is not aimed at providing a human capital development strategy but rather to provide the basis for this strategy.

The research project begins by giving an overview of the study and concludes with recommendations. The following are such recommendations: Firstly, there needs to be an organization that will cement the structural relations between the UFH with the Community as well as the local council (Nkonkobe). This will help address a whole range of issues related to capacity, which has been found to be

very central to resolving the challenges to be faced. Such an organization would coordinate all projects and would ensure that they are within the value chain.

It would also avoid duplication and improve coordination and monitoring. This structure could draw participation from other potential stakeholders in and outside of Alice and the University of Fort Hare. Secondly, there is a need to establish partnerships with existing institutions that are already in the sectors in which these projects are located.



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CHAPTER 1: AN OVERVIEW OF THE STUDY

1.1 Introduction

The study does not aim to provide a complete human capital development strategy but rather to provide a basis for such strategy in terms of the findings of the examination. Alice, as a University town, with a human resource base that is highly skilled, well educated, innovative, productive and equitable should be exemplary in terms of socio-economic potential and development.



The human capital development process here must meet the changing demands of the economy in terms of size and quality of human resources for optimal development.

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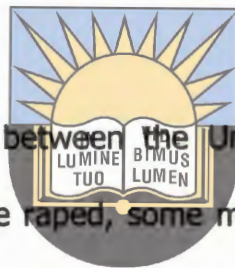
1.2 Background of the study

There has to date been no thorough enquiry to investigate the role Fort Hare University has played in assisting Alice with its economic development. To date Alice is underdeveloped despite being a University town. The research intends to recommend strategies to develop Alice Town using the people Alice through Fort Hare University has produced.

Certain people come to mind. For example: former EC Premier, is now the Minister of Sports; Mr B Finca, the Provincial elections officer; Mr N Balfour, Minister of Correctional Services; M S Somyo, Amatole District Council Executive Mayor and Mr L

Mcwabeni, the Head of the Project Management Unit of the Provincial Growth and Development Plan (EC).

The Nkonkobe Local Municipality Local Economic Development Strategy (2002) indicates that a current constraint to economic development is an unskilled, narrow-based labour force with low levels of education. In addition Alice has low levels of individual and household income, hence a limited local market and demand for products.

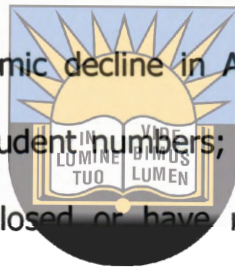


Prior to 1994, the relations between the University of Fort Hare and Alice were confrontational. Students were raped, some murdered at the local shebeens and the university did not have any kind of relations with local schools, let alone the wider community. The university's top management, academic staff and students did not have anything to do with the Alice community, which was treated so badly that members of the community were requested to produce permits in order to access the university and were also barred from using other university facilities such as sport and recreational facilities. Simply put, there were no progressive and healthy institutional relations between Fort Hare University and Alice Community in those days.

The advent of Democratic Government ushered in changes on many fronts. A regime change and new national priorities would have a direct bearing on all institutions of higher learning in their relation to communities. The foundations of a new regime brought in values that are progressive in nature and content. These included a different set of democratic principles, a new ethos, and practices consistent with the

values of the country as a whole. Central to these was the need for a symbiotic relationship between the institutions of higher learning and their immediate communities.

This relationship was to one of that integrated development of communities as part of the broader societal development with institutions of higher learning playing a central role in providing technical and intellectual expertise.



There has been some economic decline in Alice, with retrenchments at Fort Hare University, and a slump in student numbers; these seem to be improving again. In addition, some firms have closed or have relocated to King William's Town, for example two bakeries, a historic publishing and printing company, and a wood preservative product producer. Accordingly, after 1994 things changed in Fort Hare University as expected although with noticeable limitations. The leadership and top management of Fort Hare has also changed. Policies and structures have changed. Opportunities have opened up and the Alice community has begun to engage in progressive relations with the University community.

Fort Hare University began to design; package and run programmes intended to benefit the community. Among them there were winter school classes for Standard ten (grade12) pupils and UFH also adopted and practiced a new policy that allowed for communities to access and utilize other infrastructural resources, like the sporting and recreational facilities. Employment opportunities for local people were created and more local people were employed in the agricultural sector of the University and other

administrative posts though the majority of them were later retrenched due to further rationalisation processes.

As the number of students admitted to the Alice campus of the University of Fort Hare increased, the businesses at Alice town benefited directly as student expanded the market; however when Fort Hare began to introduce fee increments the student numbers started dwindling, to the detriment of businesses in Alice.



The Fort Hare Strategic Plan 2000 (SP 2000), whose intention among other things was to redefine the University of Fort Hare within the context of the local socio economic situation while also seeking to continue to be a continental university ready to confront the challenges facing Human Capital Development in Alice, the Province and the Country, on paper correctly located itself as one of the of role players in the socio-economic development of Alice as a University town. Yet five (5) years have gone by without any significant progress in the socio economic development of Alice Community.

One acknowledges the new changes brought by the National Department of Education, which the University sought to acknowledge them. Dr Strijdom, in his draft proposal based on SP2000 and the new Institutional Operating Plan (IOP) also acknowledges the above contention and further suggests an alternative but complementary shorter-term initiative as the development of Alice is a long-term commitment.

An Alice-Fort Hare Integrated Development Programme, which was developed at the same time as the Alice 2000(a concept document on the resuscitation of Alice Town through technical intervention) has just remained a document because no structures were put in place to monitor its implementation.

The success of Fort Hare University, evident from its expansion to East London and its ability to attract foreign investment (Germany, Metro Municipality) as a growing and dynamic educational institution should make a major contribution to Alice Town.

Presently many projects have been drawn up under the Rural Action Project (RAP) at Fort Hare.



The strategic planning documents of Fort Hare and their rural economic development plan, should agree on a co-ordinating framework to ensure that the implementation of the plans are coherent and that the various activities embarked upon are consistent with those of the Alice Transitional Local Council (Alice TLC). The technical expertise and organisational capabilities of Fort Hare must tie in with the priorities and decision making of the Alice TLC for a partnership aimed at developing Alice successfully.

1.3 The statement of the problem

The socio – economic conditions of Alice is continuously declining and yet it is home to one of the oldest Universities in the continent. The University of Fort Hare continue to produce national and continental leaders in various fields of socio – economic development. Human Capital plays a very major role in the development of socio –

economic conditions anywhere. Although the university of Fort Hare continue to produce leaders of high calibre this has not yet translated into pool of human capital that is ready and deliberately targeted for the socio – economic development of the home of the University, Alice.

Recent initiatives on the part of the local municipality and the University of Fort Hare have attempted to respond to the above challenge. However these initiatives have not yet delivered as intended. Alice as a University town remains one of the most devastated areas in the province of the Eastern Cape even as it hosts an institution of higher learning with a rich history and vast potential. The role that the University of Fort Hare is to play in responding to the challenges of socio – economic decline in Alice concentrate on the conscious development of human capital to intervene in this critical challenge.



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Alice, through Fort Hare University should be able to retain the calibre it produces and the people produced by Fort Hare should also plough back into the Alice community so as to enhance the socio-economic development of Alice as a University town. The research seeks to establish bases for a strategy that will assist Alice as a university town with the creation of a human resource base that is highly skilled, well educated, innovative, productive and equitable.

1.4 The objectives of the study

The following are the objectives of the study: -

- To quantify and profile the human potential and latent resource capacity of Alice.
- To investigate what role Fort Hare University and its Alumni can play to improve the viability and attractiveness of Alice.
- To determine whether any strategy can be produced to revitalise the Alice economy through Human Capital development.

1.5 Significance of the study

The analysis phase of the Nkonkobe Municipality Integrated Development Plan (IDP) (March 2002) revealed that in terms of the socio-economic profile of Alice area, unemployment was high, and that the local economy was reliant on the civil service indicating a need for diversification.



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In addition, there was a high youth dependency rate, and the economically active population showed a narrow skills-base. Based on the fact that Alice, as a university town is underdeveloped, the thesis will focus on the development of objectives and strategies to address developmental skills.

The study is important because, given a lack of economic growth in Alice, there is the need for skills development to face developmental challenges in the area and for training to improve existing skills and capacity.

The study will recommend strategies relating to training, skills development planning and performance management. Given limited municipal income, the study

acknowledges that there is also a need for accessing external funding for capital projects and in this respect the contribution of Fort Hare will be thoroughly examined. This study will also seek to meet objectives designed to improve the economy and household infrastructure in Alice thereby increasing employment, mobility and the standard of living of its residents.

1.6 Theoretical framework

Various authors like Begg, Fischer and Dornbusch (1994), Cronje, Neuland, Hugo and Van Reenen (1992) and Harrison and Rosemary (1992) argue that the human capital development process must meet the changing demands of the economy in terms of the size and quality of human resources supply. Fernandez ((1975); Schregle (1978) and Pateman (1970) argue that effective human capital development planning, particularly the coordination of all cross-sectoral dynamics, is a key condition for economic success. Improved education and training is a critical pre-requisite for successful participation in the rapidly globalising knowledge economy.

1.7 Definition of terms

Human capital development: some authors like Streeten (UNDP1999: 16) define this as the process of enlarging people's choices, knowledge base and skills through education and training that will expand human capabilities. It is the way of achieving the human development of individuals and the society in which they live and includes capacity building. Becker (1975) adds that schooling; computer-training, expenditures on medical care and lectures are virtues of punctuality and honesty are

capital. They, according to him, are called human capital because people cannot be separated from their knowledge, skills, health, or values in the way they can be separated from their financial and physical assets.

The White Paper on Higher Education (1997) defines human capital development as the mobilisation of human talent and potential through the training and provision of person power for a changing labour market. It goes further to add that human capital development goes a step further to encapsulate quality skills, intellectual property built and the tools and equipment utilised by personnel e.g. computer literacy and IT.



Socio-economic development:

Social development refers to the educational, health, welfare and housing needs of the people.

Economic development refers to agricultural, entrepreneurial and economic growth and development.

The principle of development means that conditions must be created to facilitate the adaptation and improvement of the higher education system to enable it to contribute to the common good of society through the production and application of knowledge, the building of human capacity, and the provision of lifelong learning opportunities (White Paper on Higher Education: Notice 712 of 1997).

1.8 Delimitation of the study

Levels of poverty and illiteracy in Alice are high, (Nkonkobe Municipality LED Strategy: 2002). Combined with development and service backlogs, the need to allocate scarce resources for human capital development through proper planning is clear. The growth of the Alice economy depends on how resources (human, financial etc) are used and whether different areas of the economy are effectively linked together.

1.9 Research outline



The thesis is divided into five (5) chapters

CHAPTER 1 – An overview of the study

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Chapter 1 presents an overview of the study as well as a brief history of the area (Alice and Fort Hare), pointing to a rich heritage as well as apartheid underdevelopment which characterises Alice's history. It also addresses matters of the human capital, gives statement of the problem, presents the objectives of the study, provides justification for study, hypothesis, delimits the study, discuss the research methodology and defines terms.

CHAPTER 2 – Literature Review and Empirical Evidence

This provides a literature review focusing on theoretical perspectives of human capital development, and a definition of human capital development (also known as human resource development). The empirical evidence presents empirical findings concerning human capital development to date.

CHAPTER 3 – Research Plan and Design/ Methodology

This chapter provides a socio-economic analysis of Alice including data on population size, levels of education, employment patterns and the Alice economy in terms of output and employment and an analysis of skills levels within the Alice/ Fort Hare labour market.

CHAPTER 4 – Data analysis, results and intervention

This chapter looks at the capacity of Alice with a view of developing an economic strategy, approaches to economic development and human capital development, opportunities and constraints within Alice economy



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CHAPTER 5 – Discussion, recommendations, conclusions and suggestions for future research.

This chapter provides a discussion on the role Fort Hare University should play in assisting with human capital development in Alice; it gives an overall conclusion and makes recommendations and suggestions for future research.

1.10 Chapter Summary

Based on the background given in this chapter, it is clear that Alice as a university town is in desperate need for economic development, and the last chapters finding will reveal that, that this may be achieved through human capital development. The skills levels of the Alice community can be used to enhance economic development.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

This chapter commences with a broad definition of the concept of human capital development, then discusses human capital development as an objective, the benefits of investing in it and points to human capital development as a means. This is followed by a definition of socio-economic development and lastly it looks at the literature dealing with the contribution of institutions of higher learning to human capital development. Furthermore, the chapter discusses the hypothesis, and provides a historical perspective and overview of the Alice economy.



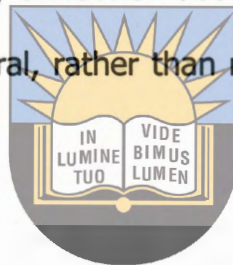
Fernandez (1975:132) argues that "there is lack of progress in the training and development of black managers, and this can be attributed to a lack of educational qualifications and also to racial discrimination". According to the educational argument put forward by Fernandez (1995), blacks lack the necessary educational background and qualifications to compete with their white counterparts. The levels of skills blacks have is very low compared to those of whites and this proves that education and training is crucial to black socio-economic progress and occupational advancement.

2.2 The concept of human capital development

Streeten (United Nation's Development Programme (UNDP) 1999:16) describes human capital development as 'the process of enlarging people's choices – not just choices among different detergents, television channels or car models, but the choices that are created by expanding human capabilities and functioning– what people do

and can do in their lives'. Viewed from this perspective, human capital development is a means to an end – a way of achieving the human development of individuals and the society in which they live.

What is clear from the manner in which Streeten (1999:16) defines human capital development is that it seeks to develop the local skills base. Another important dimension when one looks at human capital development is the importance of the social context and as such any discussion about social development should recognise the importance of cross sectoral, rather than mono-sectoral, policy development and implementation.



In Human Resource Development Review 2003 (165), the above statement extends the analysis beyond the sectors traditionally associated with human capital development – education and training, the labour market, macro-economic factors, industrial development and foreign trade and recognises that individuals do not develop their capabilities in a vacuum.

The family, community and society into which the individual is born, grows up and lives as an adult influence a person's individual attributes. All too often, however, individual attributes – whether people are male or female, black or white – influence the resources and opportunities people have access to (HRD Review' 2003: 165). According to Becker (1975), no discussion of human capital can omit the influence of families on the knowledge, skills, values, and habits of their children. Parents affect

educational attainment, marital stability, propensity to smoke and to get to work on time, as well as many other dimensions of their children's lives.

Reid, Barrington and Kenney (1993), referring to employee development, say that it is "essentially about making learning a greater part of the employee's lives, although usually in the service of some work goal or goals". This definition implies that employee development will be concerned with the way the learning process is structured and gradually expanded in order to ensure that it does fulfil the organisation's goals. Harrison (1993) has provided a useful definition of employee development for human resource managers and for training or human resource development practitioners.



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She wrote:

"Employee development as part of the organisation's overall human resource strategy means skilful provision and organisation of learning experiences in the workplace in order that performance can be improved, that work goals can be achieved and that, through enhancing the skills, knowledge, learning ability and enthusiasm of people at every level, there can be continuous individual growth. Employee development must, therefore, be part of a wider strategy for the business, aligned with the organisation's corporate mission and goals" (Harrison, 1993:110).

Harrison's (1993) definition takes employee development to be an extremely important process for the organisation through which both individual and organisational growth can be achieved over a period of time so that both can fulfil

their full potential. It can also be seen here that education and training are both ways in which planned learning experiences are provided, and that they contribute to employee development.

In the Alice LED Strategy Report (2002: 34) low skills levels were identified as a core constraint to economic development so that human resource development becomes the means to attract investment as well as to enable and sustain economic development.



Lack of local capital indicates a need for outside investment. Dynamic growth depends on investments in infrastructure being made on a scale far beyond the means of any single employer. What is required is large-scale investment in education and training institutions, employer associations, and innovative partnerships between higher education institutions and industry (Human Resource Development Review, 2003: 6).

Many studies have shown that high school and college education in the United States contribute greatly to raising a person's income, even after netting out direct and indirect costs of schooling, and even after adjusting for the fact that people with more education tend to have higher IQs and better-educated and richer parents (Becker:1975).

Foot and Hook (1999:199) state that employee development is concerned with utilising all learning opportunities whether they are regarded as education or training, or as a combination of both. They further state that employee development makes an

important contribution to an organisation's performance, but that in order for it to be effective it should be part of the strategic plan for the organisation and must very clearly relate to the organisations objectives.

Begg, Fischer and Dornbush (1994:199) define human capital as "the stock of expertise accumulated by a worker. It is valued for its income-earning potential in the future." From this definition, it can be concluded that human capital is the result of past investment and its purpose is to generate future income.



To invest in another year of school education or a further qualification, people may have to make a direct payment, as with fees to private schools, but they also forgo the opportunity to earn immediate income by working. The anticipated benefit of this initial expenditure is either a higher future monetary income or a future job yielding greater job satisfaction.

This kind of human capital approach assumes that wage differentials reflect differences in the productivity of different workers. Skilled workers have a higher marginal value product and earn more. The problem for workers is to decide how much to invest in improving their own productivity. What can be clearly deduced from the above is that education directly increases workers productivity and allows them to command higher earnings sooner or later, thereby enhancing the socio-economic development of a country.

Investing in human capital development not only benefits an individual but also an institution or an organisation, also a town. Consider the decision of a school leaver whether to continue in education or to take a job immediately. Does investment in future education make sense? There are two costs and two benefits. The immediate costs are for books and fees to continue in education, and the income that could have been earned (the opportunity cost) by taking a job immediately rather than remaining unpaid while in further education, without any income from the government such as an educational grant.



The first benefit, according to Begg, Fischer & Dornbusch (1984:201) occurs in the future and is the flow of extra wages that workers with higher education can earn. The second occurs immediately but in a non-monetary form. It is the fun or consumption value of going to college or university. Like any investment decision, Begg et al (1994) argue further that the decision whether or not to continue in higher education is based on comparison current costs and benefits (usually a net cost) with the likely flow of future costs and benefits.

From the above argument one can safely conclude that it makes sense to go on to further education if the benefits outweigh the costs. But the benefits accrue in the future and education increases future earning power, which in turn will help boost the economy. Begg et al (1994: 203) argue that learning on the job is central to the wage earning profiles of the better educated but much less important for the unqualified who frequently do relatively routine jobs which can be mastered quickly. According to these authors, there are two skills namely; firm specific skills and general skills.

Begg e tal (1994) define firm- specific skills as those skills that help increase a worker's productivity only if he or she works for that particular firm. Hence, one could argue that firm specific human capital could be something as simple as knowing how the filing system works or something as complicated as mastering the most efficient way to combine the various production processes of a particular factory.

General skills, according to Begg e tal (1994) are those that can be transferred to employed in another firm. It is therefore important for skills development whether the skill, specific or general; the fact is employers have a responsibility to make sure that the employees are capacitated well enough in order to be productive.



Since the emergence of the idea of a 'right to development', numerous approaches have been advanced to promote it as a vehicle of development and social transformation. In 1986 the United Nations General Assembly adopted the "Declaration on the Right to Development: 1986" by an overwhelming majority. This means that employees in every state have the right to be skilled so as to ensure that they are as productive in their fields as they can be.

Various conceptions of the right to development are still subject to controversial discussion; for example, some authors consider the right to development to be an ethical postulate which expresses the wholeness of human beings and includes their basic material need for food, shelter and clothing, as well as their claims for peace, compassion and charity.

Some see the right to development as an agglomeration of positive human rights, a categorical roof upon a higher level of abstraction, which closes up existing formulations of the norms. Another view regards the right to development as a right of synthesis, allowing the expansion of the circle of right bearers.

Still others consider the right to development as a general principle of law in the meaning of Article 38 paragraphs 1 lit (c) of the Statute of the International Court of Justice, which enumerates the sources of international law. Finally the right to development was construed as a human rights standard, which may be applied where a general clause in a treaty needs elucidation by interpretation.



In the United Nations General Assembly's Declaration on the Right to Development (1986) development is defined as "a comprehensive economic, social, cultural and political process, which aims at the constant improvement of the well being of the entire population and of all individuals on the basis of their active, free and meaningful participation and in the fair distribution of benefits resulting there from".

It is on the basis of this definition that this research will strongly recommend human capital development, which encompasses capacity building and empowerment of the people as one of the major strategies that will alleviate poverty and ensure the socio-economic viability of Alice as a university town. Capacity building is generally understood as a process by which individuals, groups and organisations develop their abilities to perform functions solve problems and achieve objectives (Hollands & Ansell: 1998:69).

Empowerment, according to Auprich (1998), suggests "the expansion of people's capacities and choices but implies more specifically the strengthening of the ability of the people to participate in decision making about national democratic development and to exert demands on the state and its servants".

Today's development paradigm pleads for the promotion of democratic systems as a precondition for human and economic development. Promotion, in this context is that of good governance and the development of an indigenous democratic culture sustained by the people.



2.3. Human capital development as an objective

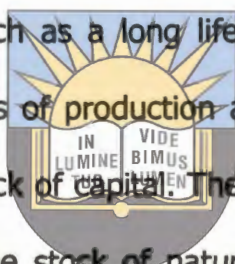
Viewed as an end in itself rather than as a means, human capital development is about enriching human lives. Material enrichment – producing a larger volume of goods and services – may contribute to this but it is not the same thing. Indeed it is now widely understood that there is no one to one correspondence between material enrichment and the enrichment of human lives measured say by the human development index. The human development approach thus implies the dethronement of national product as the primary indicator of the level of development.

The objective of development, according to Sen (1990) is not to produce more "stuff and services, but rather to increase the capabilities of people to lead full, productive, satisfying lives thus enhancing economic development. Sen (1990) further argues that in formulating development policies, programmes and plans, it is important to put people first, to specify objectives in terms of the enhancement of human capabilities.

This means that the more disaggregated programme and policy objectives are, the better. The human capital development approach views the objective of development as inherently multi-dimensional.

2.4 Human capital development as a means

The economic benefits received by people – whether in the form of money income, material goods and services in kind, self-produced items of consumption or production, or capabilities such as a long life and good health which may be only partially mediated by relations of production and exchange – can be understood as flows originating from the stock of capital. The stock of capital in turn can be divided into three components: (i) the stock of natural capital, (ii) the stock of man-made capital and (iii) the stock of human capital (UNDP: 1992).



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The stock of human capital, according to the UNDP article (1992) demonstrating how this approach can be used to analyse human development consists of the knowledge, skills, experience, energy and inventiveness of people. It is acquired in a variety of ways: through training and apprenticeship programmes, on the job learning by doing, in the formal education system, through media generally, in the institutions devoted to pure and applied research and through private study and reflection.

The stock of human capital, like the stocks of physical and natural capital will deteriorate if it is not maintained. Hence the importance of pre-natal and maternal care, school feeding and other nutrition programmes, the provision of safe drinking

water, public health and disease control measures, guaranteed employment schemes and the like.

It is now recognised that human capital plays a central role in the development process and this has heightened interest in the economics of education, health economics, labour economics and related sub-disciplines. A distinctive feature of a human development strategy is the emphasis on human capital formation. This does not mean that additions to the stocks of natural and physical capital are ignored – that would be a serious error – but it does mean a major change in priorities in favour of human capital.

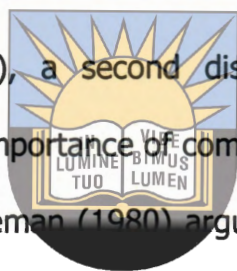


The justification for this change in priorities is, first, that the returns on investing in people are in general as high as if not higher than the returns in other forms of investment, second, that the investment in human capital in some cases economises on the use physical capital and the exploitation of natural benefits from other forms of investment. Thus a greater emphasis on human capital formation should result in as fast and perhaps even a faster pace of development, more sustainable development and more equitable distribution of the benefits of development.

Griffin (1982) argues that in the absence of relevant country-specific data policy makers may be forced to rely on comparative data from other countries, at least in the early stages of policy formulation, but it obviously would be better for each country to collect the information necessary to estimate the rate of return on various

types of investment and to calculate the distributive implications of alternative investment patterns.

Suffice it to say here that the evidence from around the world is that those countries that have given priority to human capital formation have performed relatively well in terms of growth, employment, reduced inequality in the distribution of income and the alleviation of poverty (UNDP: 1992).

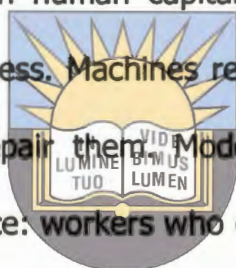


According to Iseman (1980), a second distinctive feature of a human capital development strategy is the importance of complementarities among the various kinds of expenditure. For example, Iseman (1980) argues that expenditure on primary health care service should result in better health for the poor. This in turn should increase the efficiency with which the body transforms the calories into improved nutrition, thereby increasing the benefits of maternal and child nutrition programmes, school lunch programmes and public food distribution schemes.

Improved nutrition increases the ability of children to learn and is likely also to result in higher rates of attendance in school. There are thus complementarities among primary health care, nutrition and education expenditures. There are also complementarities between investing in people and investing in physical capital. Human capital is of course a direct input into the productive process. For instance, frequent illness lowers the productivity of labour while on the job and reduces the number of days worked.

Hence programmes, which result in improved health, not only are valuable in themselves (human development as an end), they also have a positive impact on output (human development as a means). Similarly, the more skilled the labour force is, the higher will be its productivity. Skilled labour not only can do things beyond the competence of unskilled labour, it is likely also to be able to work faster, with less supervision, with fewer errors and to produce goods and services of higher quality.

The complementarity between human capital and physical capital arises from the nature of the production process. Machines require trained workers to operate them and trained mechanics to repair them. Modern, productive agriculture requires a literate agricultural labour force: workers who can read instructions on a fertiliser bag absorb information contained in literature distributed by extension agents and understand the contents of a repair manual for agricultural equipment.



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Modern services (travel, finance, tourism) require numeracy: people who can make simple calculations quickly and accurately. A country that gives priority to physical capital while neglecting its human capital will soon discover that the returns to physical capital are lower than they need be. On the basis of the above, one can safely conclude that investment in people is necessary for technical change, which in combination with human capital is the driving force for economic growth.

It is difficult to introduce improved methods of production, new ways of doing things and more complex and sophisticated products unless buyers, workers and consumers have sufficient training and education to enable them to understand the technology.

Thus capital formation, the accumulation of human capital and technical change are closely linked.

Human capital development, according to Iseman (1980) is a cross-sectoral research issue, shaped by making an impact upon a number of related government policy domains. For example, the human capital development's study of factors affecting choices of Grade 12 learners regarding tertiary education yielded information as to perceptions pertinent to the national plan for higher education.



Other examples of the impact that human capital development has on government policy are in the spheres of education and training, the labour market, macro-economy, and industrial and foreign trade. This intention of human capital development is to yield the appropriate human technological capabilities necessary for human development, equity, and future national economic success (Iseman: 1980).

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2.5 The contribution of institutions of higher learning to human capital development

Higher education is a vitally important activity in any modern society. In South Africa today the challenge is to ensure that it can succeed in stimulating, directing and using the creative and intellectual energies of the entire population (White Paper on Higher Education: 1997). According to the recommendations that are reflected in the government White Paper (1997), higher education should be designed, planned, managed and funded as a single coordinated system comprising universities, technikons and colleges.

The purposes of higher education as reflected in the White Paper (1997) are 1). that to meet the learning needs and the aspirations of individuals through the development of their intellectual abilities and aptitudes; 2). to equip individuals to make the best use of their talents and of the opportunities offered by society for self-fulfilment; 3) to provides the labour market, in a knowledge-driven and knowledge dependent growth and prosperity of a modern economy; 4). to teaches and trains people to fulfil specialised social functions, enter the learned professions, or pursue vocations in administration, trade, industry and the arts; and 5) to be responsible for the socialisation of enlightened, responsible and constructively critical citizens.

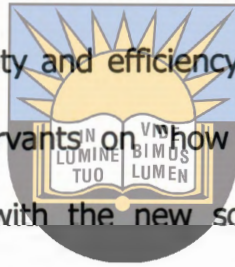


Despite acknowledged achievements and strengths, the present system of higher education is limited in its ability to meet the moral, social and economic demands of the new South Africa. The present system perpetuates partens of inequitable access and participation; it does produce sufficient graduates in crucial fields; it has not succeeded in laying the foundations of a critical civil society with a culture of tolerance and debate (White Paper on Higher Education: 1997).

Various studies undertaken by the Human Sciences Research Council of South Africa (HSRC: 2000) on human capital development reveal that higher education has a critical role to play in contributing towards high-level human capital development. Levidow in a World Bank Report (1998) argues that higher education has special stakes for capitalist rule. He stated that universities should define the skills of professional workers for labour markets, reinforce ruling ideologies, and represent the needs of the state and industry as those of society.

The roles, according to Davis (1996) and Reid (1999) include reorientation of the curriculum, especially for senior administrators and political executives which will then equip them to deliver on services and on their political mandate. In addition to the long-term degree and diploma programmes in public policy and development administration, there is also a need for 8-12 weeks professionally oriented short courses in policy analysis and service delivery management.

The provision of more emphasis in the curriculum for civil servants at all levels on issues of economy, productivity and efficiency is also necessary. This training is not only going to focus civil servants on “how to do more with less” but will also familiarise the civil service with the new socio-economic development strategies, including new areas such as the environment and foreign trade.



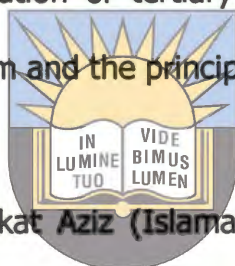
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The other role identified by Davis (1996) and Reid (1999) is to secure government recognition for different short-term and long-term training programmes as required qualifications for appointment or promotion to certain posts in the public service. This may mean adjustment of curricula. It does not end there, but includes a long-term training programme for newly recruited civil servants.

Fine (2000) quoted by Levidow (1998) in www.eserver.org/clogic/4-1/levidow.html argues that universities are crucial to the knowledge economy. This suggests that greater human capital will be necessary to enhance worker creativity, to use information productively, to raise the efficiency of the service economy to achieve

economic competitiveness and thus to maintain employment. The human capital concept individualises skills that can exist only in a social collectivity or network.

For several years the World Bank has been promoting a reform agenda on higher education. Its key features are privatisation, deregulation and marketisation. According to a World Bank report (1998), "the reform agenda is oriented to the market rather than to public ownership of governmental planning and regulation. Underlying the market orientation of tertiary education is the ascendance, almost worldwide, of market capitalism and the principles of neo-liberal economics".

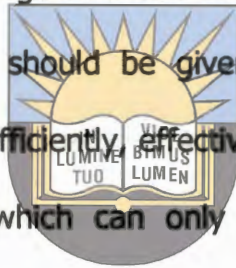


Pakistan Prime Minister Shaukat Aziz (Islamabad: March 14) stressed the need to accelerate efforts to promote education; which leads to moderation, socio-economic development, political maturity and regional as well as global peace www.pakistanlink.com/headlines/Mar05/14/02.HTM). Referring to the Commonwealth strategy for promoting education, he said Pakistan has embarked upon an ambitious education reform policy to ensure quality education at all levels.

Francois Theron and Ervin Schwella (2000:68) argue that education and training institutions are both expected to provide guidance for administrative practice. It is thus the view of the researcher that Fort Hare University has a crucial role to play towards the attainment of the socio-economic development of Alice. The above argument emphasises that the earlier concerns of efficiency, productivity and performance improvement in public administration has to be revitalised.

However, the problem of integrating the economy and efficiency concerns with other equally important concerns in public administration still remains as a challenge. Also lack of professionalism in public administration has adversely affected the strategic importance of education and training in the public administration.

Theron and Schwella (2000:72) further argue that resources allocated for public administration training and research are dismally disproportionate to its significance in society and its crucial role in government and society. This simply put, means that human capital development should be given priority because for a public office manager to deliver services efficiently, effectively and economically, he has to possess public administration skills which can only be acquired through educations and training obtainable at higher education institutions.



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Theron and Swhwella (2000: 75) argue that in order to be able to bring the services near to the citizens through decentralisation, a public administration manager needs to be skilled and such skills can be offered by higher institutions of learning which will make training for decentralisation sector oriented, and ensure participatory monitoring and evaluation programmes.

Public institutions are confronted everyday with rapid changes, multiplying changes demands for better services, and growing complexity of technology. Concurrent with increasing citizen needs for services have come reduced resources through economic factors such as recession and inflation. These changes have created a challenge for public institutions in SA. Challenges are also posed by an increasingly complex and

multi-racial society in SA as well as new responsibilities imposed on government by public demands which are forcing public administrators to employ more effective specialised mechanical and or automatic aids. Such a centralised aid is the computer.

The computer has already become a potent force in our daily lives and its future role will be even more significant. Every public administrator must therefore acquire a significant level of understanding of its use in the administrative activities of a public institution to harness this source of intellectual energy. To determine the value of computers in public administration, some application possibilities of computers in administrative activities must be considered.



According to Hanekom, Rowland and Bain (2001) the skilful application of computers to existing public administrative activities, or the redesign of such activities around a computer, can constitute a technological environment conducive to improvement of efficiency. In this environment the most important contributions of computer technology to public administration are those which are associated with the earliest stages of the problem-solving process. Waldo (1971) adds that the contribution of a computer inter-relates the processes of research and planning to find solutions. In addition, the computer can anticipate future uncontrollable events by obtaining analyses of current trends and future events (Kraemer and Dutton: 1979).

Hanekom, Rowland and Bain further argue that for a public administration manager to perform decision making functions, he has to rely on information. A computer maybe

involved in decision-making either actively or directly. Active and direct involvement, according to Hanekom et al means that the computer actually makes the decisions.

2.6 Historical perspective of Fort Hare and an overview of Alice Economy

According to the Alice LED Strategy Report (2002), the origin of this small town goes back to the first occupation by British soldiers of the area known as the South African Native College and still later became known as Fort Hare, allegedly named after Colonel John Hare. It is also not clear whether Alice was named after Queen Victoria's or Hare's wife.



The town, small as it is, has nurtured and produced a number of intellectuals from South Africa as far north as Kenya, Zimbabwe, Lesotho and Uganda. Some politically well known alumni are Oliver Tambo, Nelson Mandela, Robert Sobukwe, Ntse Mokhehle of Lesotho, Sir Seretse Khama of Botswana and Robert Mugabe and Chitepo of Zimbabwe, Eliud Mathu and Charles Njonjo in Kenya.

Others were produced through Lovedale College, for example the President of the South African Republic, Thabo Mbeki. Lovedale was founded in 1824, while Fort Hare University was founded in 1916. Lovedale was named after Dr John Love, one of the founding fathers of the London Missionary Society (LMS) in 1779 who later became the first chairman of the Glasgow Missionary Society (GMS) in 1807 and its secretary from 1809 until his death in 1825 (Alice LED Strategy Report: 2002).

The socio-economic profile of Alice, based on the two data sets collected by the 1996 Census and the 1999 October Households Survey (OHS) reflects the historical legacy of the apartheid system. The population of Alice is estimated by Nkonkobe municipality to be around 20 000. While official statistics from the census may indicate a far lower number (around 13 000), many municipalities contend that there are serious errors in the census numbers. The town of Alice is relatively congested, and the density especially in the centre of town is growing, as new buildings are not going up to match the population growth.

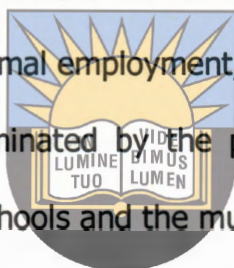


The population is particularly youthful, most likely due to the presence of the university, and many schools and colleges in the area. There are more women than men in town, and there is some migrancy, contributing to this phenomenon (Alice LED Strategy Report: 2002). *University of Fort Hare Together in Excellence*

The town is characterised by high levels of unemployment. The education profile of the town fits well within the framework of apartheid in which Black people in general and Africans in particular are condemned to the lower rungs of the education system. The sparse distribution of the population across the landscape also necessitates the installation of physical infrastructure to ensure effective delivery of social and other services. Alice is like many other former Bantustan spatial economies –characterised by extreme underdevelopment, poverty and lack of basic services in surrounding rural areas, a dearth of institutional and technical capacity (outside University of Fort hare that is), and no sustainable economic base.

As in so many other rural former Bantustan towns, this has created enormous development challenges for the recently constituted local authorities. But what makes Alice different to so many other rural towns in the former Ciskei is the location of the University of Fort Hare, which has to play a central role in the town's socio-economic revival.

The Development Bank of Southern Africa, (1994) as quoted in the Alice LED Strategy Report (2002) identified the main sectors of the Alice economy as services, which accounts for 70% of formal employment, and to a lesser extent agriculture. The service sector in Alice is dominated by the public sector (University of Fort Hare, Victoria Hospital, numerous schools and the municipality).



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Agriculture and forestry is also another noticeable sector in the district (11% of employment and 26% of output), however there are no linkages between the agriculture and the manufacturing sectors. This suggests that there is a need to consolidate the comparative strength of agriculture in the local economy, and at the same time promote beneficiation and agro-processing, as well as explore strategies to grow other sectors such as tourism.

The Victoria East district (Alice rural and urban areas) has a tremendous potential for the development of relevant skills for local economic growth. There are many able and willing institutions that can provide skills training to the people of the area (e.g. University of Fort Hare). The Victoria East district has a strong capacity for training and the improvement of the skills levels of the district.

The University of Fort Hare plays a strategic role in the Nkonkobe district of which Alice is part. However, its role has not been fully recognised in the Nkonkobe Local Municipality Interim Integrated Development Programme. The UFH is a national resource whose geographic location gives the Alice town a comparative advantage in terms of sourcing funds from donors outside the district.

The success of Fort Hare as growing and dynamic educational institution should make a major contribution to Alice via the Nkonkobe municipality, while Alice can contribute to the development of Fort Hare. The strategic planning documents of Fort Hare (SP 2000) and their rural economic development plan, need to dovetail towards a coordinating framework to ensure that the implementation of the plans are coherent and that the various activities embarked upon are consistent with those of the municipal council.



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2.7 Hypothesis

The following hypotheses are tested in this research:

- (i) Residents of Alice (businesses and private individuals) feel that the town has not benefited as much as it should from the presence of UFH in that community.
- (ii) Alice town is not able to provide an environment conducive to the retention of a significant portion of the human capital developed by UFH.

In testing the above hypotheses, the study will seek to unravel the underlying causal factors that contribute to the decline of development in Alice. This will be

done in recognition of the initiatives already in place while analysing the reasons for the lack of socio – economic development that should ensue from the existence of the University of Fort Hare in Alice. The role of the University of Fort Hare and the local municipality in the creation of a environment conducive to retention of significant human capital developed by the University remains a critical element in the study.

2.8 Chapter summary



In summary, a human capital development approach has numerous advantages. First, it contributes directly to the well being of people. Second, it builds from a foundation of equality of opportunity. Third, it helps to create a more equal distribution of the benefits of development. Fourth, it enables the linkages between the various types of investment in people to be fully exploited and fifth, it takes advantage of the complementarities between human and physical capital.

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The contribution which Fort Hare University can make to the recovery and reconstruction of the Alice economy has hitherto been seriously neglected. It is a major contention of this chapter that employee development can be achieved through education and training which are two ways in which planned learning experiences are provided and Fort Hare as an institution of higher learning can play a crucial role.

According to Streeten's (1999:16) definition of human development, the local skills base can be developed. Fort Hare University can ensure that this aim is realised. The rich history of Alice provides Alice with a substantial platform for cultural tourism, but

beyond this rich heritage, the history of Alice is typical of many other African towns, which are characterised by racial division and underdevelopment. Social services such as education, health, water and sanitation, and electrification are critical to improving the human capital of the nation.

Alice has a relative advantage compared to most other towns or districts in the province because it has the University of Fort Hare in the vicinity. The technical expertise and organisational capabilities of Fort Hare must fit closely with the priorities and decision making of the municipal council for a partnership between them to be successful.



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CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the strategy used to investigate the problem statement. The sequence of steps and the nature of action undertaken so as to complete the project effectively will be described and above all, the motivation for a course of action will be clearly elucidated.

3.2 Research design



A research design, according to Trochim (2002) provides the glue that holds the research project together. He adds that a design is used to structure the research, to show how all of the major parts of the research project – the samples or the group measures, treatments or programs and methods of assignment work together to try to address the central research questions.

Guy, Edgely, Arafat and Allen (1987:92) describe research design as “the plan of procedures for data collection and analysis that is undertaken to evaluate a particular theoretical perspective”. The objectives of research, according to Smit (1995:15) are 1.) to control the answers to research questions and 2.) to eliminate or balance out variances which may have a differential effect on results.

A non-experimental survey research design was utilised in this research with a self-administered questionnaire as the primary instrument of data collection, also

documentary research and in-depth interviews with role players and community members in Alice and Fort Hare University were used for the purpose.

3.2.1 Population

Emory and Cooper (1991:242) define population as the total collection of elements about which one wishes to make some inferences. The population consisted of long term serving members of Fort Hare University and Nkonkobe municipality, which encompasses Alice and Fort Beaufort. Other participants are from the business sectors (shop owners and taxi industry), professionals residing in Alice and representatives from the Provincial government (HR practitioners from the Office of the Premier and Provincial Growth and Development Programme (PGDP) unit members).



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Nkonkobe municipality has 338 employees and Fort Hare University has more than 1000 employees. Out of 338 employees in the Nkonkobe municipality, 97 are females, which means that 70% of the total workforce is male. 80% of senior positions are held by African males. Nkonkobe has five (5) departments while Fort Hare University has four (4) faculties, ten (10) administration departments and four research departments.

3.2.2 Sampling

Sampling according to Mouton (1996) is the process of selecting a proper subset of elements from the full population so that the subset can be used to make inferences about the population as a whole. Because the research focuses on human capital

development as a tool for enhancing the socio-economic development of Alice as a university town, the researcher attempted to ensure the involvement of underrepresented groups such as women, coloureds, whites and Indians who are in clerical or junior positions.

3.2.3 Sample size

According to Mouton (1996:135) a sample is a portion or subset of a larger group called the population and can be regarded as a miniature version of the population.

The following people participated in the research:



- 20 representatives from Nkonkobe municipality (10 managers, 5 junior staff members and 5 councillors);
- 5 role players (business and professionals) from the Alice community; (2 from the taxi industry, 2 shop owners and one hawkers);
- 20 representatives from Fort Hare University (10 academics including top managers, plus 10 administrative staff members) and
- 10 representatives from the provincial government (HR practitioners in the Office of the Premier, researchers and managers from the PGDP unit, Heads of Departments operating in Alice).

The distribution of the sample was according to gender, underrepresented groups (females), education (academics) and occupational levels (managers). This also included senior managers who are political appointees and therefore have no capacity to deal with administrative issues as enshrined in the Public Service Act. The reason

for selecting these is the skills level required for these people to perform their duties effectively and efficiently.

3.2.4 Procedure

The researcher obtained permission to conduct the study from the Municipal Manager and the Special Assistant to the Vice Chancellor of Fort Hare University. Various faculties and departments were informed of the purpose, the importance and the data collection process. Most participants were educated to a certain level and as such time was not affected when dealing with few illiterate people.



3.2.5 Instruments / tools

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A number of methods were utilised in collecting and processing data. These include documentary research, self-administered questionnaires and in-depth interviews with key stakeholders and respondents in Alice, UFH and within the provincial government.

3.2.5.1 Documentary research

Documentary research was one approach used to collect data as a lot of developmental strategies were envisaged although they were never implemented. Through documentary research, it was also possible to obtain the demographic data of Alice, analyse existing developmental plans such as IDP, LED, etc so as to be able to pick up deficiencies and make sound recommendations.

Documentary research also helped to prepare, present and analyse relevant data and information in a manner that would assist the researcher in making sound recommendations and proposals for human capital development for Alice and its surrounding rural areas.

3.2.5.2 Questionnaire

A self-administered questionnaire was used as the primary tool, which was completed by a selected group of people in the Nkonkobe municipality, University of Fort Hare officials, provincial government and some role players in the Alice community. A questionnaire was chosen as a tool in this research because of its administrative advantages.



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One of the advantages of the questionnaire being its ability to deal with feelings and attitudes of the various people, participating, in the study towards human capital development and the role Fort Hare University should play to enhance the socio-economic development of Alice as a University town.

3.2.5.3 Interviews

The interviews were the secondary tool. The interviews were generally open-ended allowing interviews to take their own direction rather than being constrained by rigid interview schedules this allowed for the emergence of qualitative data to complement the data obtained from the questionnaire and the documentary research.

3.2.6 Data analysis

The survey gathered information from adult employees of Fort Hare University, Nkonkobe municipality and representatives from the provincial government. The survey questionnaire allowed for a multidimensional assessment of what these representatives think should be the contribution of Fort Hare towards the economic development of Alice as a university town. Data collection consisted of unstructured interviews of representatives who had too little time to read and respond to the questionnaire.



The researcher recognised that the relevant reality as far as human experience is concerned is that which takes place in the subjective experience, in social context and in historical time. The concern of the researcher was often more to discover how people think and feel about the role Fort Hare should play in the socio-economic development of Alice as a university town.

3.3 Problems encountered in the research process

Numerous problems were experienced during the research process. The most glaring one was that of Nkonkobe municipality staff including councillors who had high expectations about how the results of the survey were going to improve their working conditions given the fact that the drafting of the Skills Development Plan remains a challenge to current capacity because the Human Resource Department consists of non-HR specialists from other departments.

Honesty in these circumstances is believed to have been compromised as people exaggerated in their responses seeking sympathy from employers and or Fort Hare University. There were also those who lacked interest in the survey as they claimed to have participated in a lot of researches, which did not produce any fruits such as the skills audit where forms were distributed to all departments in Nkonkobe Municipality and the data was supposed to have been used for a workplace skills plan, a plan yet to be formulated.

The other challenge was lack of cooperation from senior managers and politicians, as they complained of having too much to do. As a result those who submitted their questionnaires did not seem to have applied their minds and this somehow raised a lot of questions concerning the objectivity of the data collected.



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Despite the problems encountered, it is worth noting that the employees or representatives from both institutions were supportive and cooperative during this process.

3.4 **Chapter summary**

A non-experimental survey research design was utilised and a questionnaire was used as the primary tool. UFH and Nkonkobe formed the population of the study while the sample consisted of 55 people altogether including representatives from provincial government and a few from the Alice community. Descriptive statistics were employed to describe the general distribution of the responses on all the items of the study.

High expectations regarding the implications of the study, lack of interest and lack of cooperation were some of the problems encountered during the research though these did not impact negatively of the outcome on the study.



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CHAPTER 4: RESULTS

4.1 Introduction

The chapter commences by presenting the overall results of the study, then goes on to deal with results according to various themes and concludes by giving a summary.

4.2 Overall results

The study focused on key role players in Alice as informed by the sampling decision. These were representatives of the Alice community, in the local municipal council, representatives from Fort Hare University as well as representatives from the provincial government including public entities.



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The rationale has always been the intention to maximise representativeness while taking advantage of the elite interview. Ethnographic research and document review also informed the choice of themes. Central to the choice of theme has been the commitment to representativity of all the affected sectors to guarantee qualitative outcome out of quantity. Lastly the themes sought to uncover policy and programme intentions in relation to the objective.

The following are the themes: -

- Top management of Fort Hare
 - The Institutional Leadership and Management at Fort Hare University understands the University to be an integral part of the Alice Community.

- The management and leadership of the University in developing the strategic path for the University always locate it within the Alice socio-economic Development Plan, amongst other things.
- Political leadership of Alice
 - Whenever the Integrated Development Plan of Alice is crafted, intellectual capacity from the University is always utilised.
 - University infrastructure is used to enhance planning, monitoring and evaluation of the development programmes.
 - Intellectual property at the University is used to develop human capital for the implementation of the Integrated Development Plan by the Council Officials.
- Academic leadership and programmes
 - The University always tailors their programmes in such a way that community work is carried out at Alice by students.
 - The content of academic programmes is designed in such a way that it responds to Alice's developmental needs amongst others.
- Student recruitment Programme and policy
 - Management has an affirmative action policy to give preference to local potential students in the recruitment plan.



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- Government support
 - Provincial Government in partnership with the local council always puts aside "sufficient funding for the University Human Capital Development targeting the Alice area as outlined in the Integrated Development Plan.
 - A relation between the local school syllabus and the University reinforces the local Human Capital Development needs.

Fig 1

THEME	QUESTIONS	SCALE				
		SA	A	U	D	SD
Top Management of the Fort Hare University	1. The Institutional Leadership and Management at Fort Hare University views and understands the University as an integral part of the Alice Community	9	4	1	7	29
	2. The management and leadership of the University in developing the strategic path for the University always locates it within the Alice socio-economic Development plan amongst others	8	9	5	8	20
Political Leadership Alice(Nkonkobe Municipality)	1. Whenever the Integrated Development Plan if Alice is crafted, the intellectual capacity harboured at the University is always utilised	7	3	3	10	27
	2. University infrastructure is used to enhance planning, monitoring and evaluation of the development programmes	7	1	4	20	18
	3. Intellectual property at the University is used to develop human capital for the implementation of the Integrated Development Plan by the Council Officials	7	2	5	6	30
Academic Leadership and Programmes	1. The University always tailor make their programmes in such a way that community work is carried out at Alice by students	7	5	8	7	23
	2. The content of academic programmes is designed in such a way that it responds to Alice developmental needs amongst others	8	4	4	14	20
Student Recruitment Programme and Policy	1. Management has an affirmative action policy to give preference to local potential	4	8	9	18	11

	students in the recruitment plan					
	2. Local potential students are always encouraged by local leadership to study at the University and thus plough back the skills acquired through local development programmes	17	5	4	3	21
Government Support	1. Provincial Government in partnership with the local council always put aside "sufficient" funding for the University Human Capital Development targeting the Alice area as outlined in the Integrated Development Plan	8	11	3	6	22
	2. A relation between local school syllabus and the University reinforced the local Human Capital Development needs	2	4	11	15	18

Acronyms

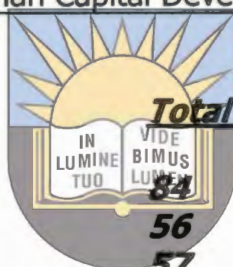
SA - Strongly Agree

A - Agree

U - Undecided

D - Disagree

SD - Strongly Disagree



Total points gained

84

56

57

114

239

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Out of 55 questionnaires sent out, 50 were returned unspoilt, 3 were spoilt and 2 were poorly written, as some of the participants were illiterate. Twenty-five (25) participants (from UFH, Nkonkobe and the provincial government) chose both methods, i.e. questionnaires and interview. The results shown above indicate that a lot of people think that Fort hare University is not doing much for Alice as a university town (see those who responded by either D or SA).

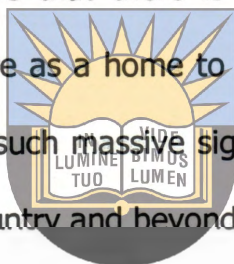
4.3 Results according to themes

4.3.1 Top management of the Fort Hare University

Approximately 30% of the participants believe that UFH has made a contribution in the development of an integrated rural economic development plan, while 64%

disagree and 6% are undecided. Those who believe are of the view that UFH sought to identify areas of need and in the process clarified its role as an institution of higher learning. Through its projects, UFH has been able to integrate itself with the surrounding communities.

For example, the Rural Action Project (RAP) committee was formed to ensure that projects that it undertakes are in line with the needs of communities. A lot of top managers at Fort Hare believe that there is a need for a clear development plan towards making Alice attractive as a home to University staff. They believe that Fort Hare in Alice carries value of such massive significance that its influence will, and, in fact, must carry across the country and beyond.



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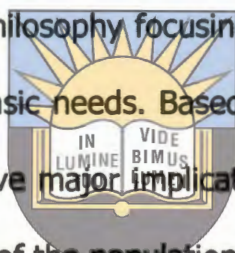
4.3.2 Political leadership of Alice (Nkonkobe Municipality)

18% of the population believe that the intellectual capacity of UFH is always utilised by Alice, while 82% believe otherwise. Of the 84%, 74 % believes that the local municipality must view its role beyond delivery and facilitation of Institutional relationships to actualize the value chains in the local economy. It must actually take the responsibility of providing political economic direction in the establishment of such economic linkages by exploiting its relationship with the UFH. This will ensure that resources are strategically deployed and directed towards high priority areas captured by the strategic framework.

The role played by Fort Hare University through its Community and Business Development Centre (CBDC) is to some extent limited as there are few projects coordinated by Fort Hare university that are linked to the IDP of Nkonkobe.

4.3.3 Academic Leadership and Programmes

24% as against 64% (who holds a different view) of the population is of the view that Fort Hare could be an institution in the country to create an alternative tide that teaches and spreads a new philosophy focusing on a direct, participatory relationship between the individual and basic needs. Based on the above belief, one could safely argue that that this would have major implications for the faculty of Agricultural and Environmental Sciences. 12% of the population are undecided.



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What, for example, are the implications if Fort Hare decided to offer a short-term credit bearing module in the faculty, which teaches a highly practical course on carrying some responsibly for creating what one needs to survive? The module could be offered at different levels with options for more advanced levels each semester.

A crucial component of the module would concern the philosophical underpinnings of why students are doing the module. Tied in with the above will be the development of Alice. A lot of skilled people would choose to live in a peaceful town like Alice rather than in the city.

4.3.4 Student Recruitment Programme and Policy

Fort Hare University has been, since its founding days, a non-racial and international university drawing students and scholars from all over the country and many parts of Southern and Eastern Africa.

34% of the population, as against 53% believe that in recent years Fort Hare University appears to have mainly drawn its students from a relatively narrow geographical corridor, running from Queenstown, Fort Hare, Alice, Middledrift and King William's Town. Most students come from economically disadvantaged communities like Alice and its villages and gained access to the university largely on the basis of student bursaries, loans and grants. 13% of the population was as undecided.



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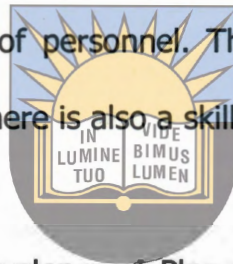
The UFH SP 2000 proposed a major widening of the university's marketing base and development of more comprehensive financial aid schemes to ensure access of students from mainly disadvantaged backgrounds. It also strongly promoted drawing students from other sections of South African society as well as neighbouring countries particularly, Zimbabwe, Lesotho, Botswana, Swaziland, Namibia, etc.

4.3.5 Government Support

25% of the population is of the view that the UFH has established strong relations with the Provincial government while 61% differs, and 14% are undecided. This is expressed by some of the co-operative projects that the UFH proposes, is actually

engaged in. A concrete example of the relationship between the UFH and the provincial government is the Rural Action Project (RAP). The close relationship between the UFH and the provincial government is reinforced by the close relationship between the UFH and the local government.

The RAP is a product of co-operation between the provincial government and the UFH. Specifically, it was initiated by interaction between the UFH management and the Office of the Premier. The responsibilities of RAP are huge relative to its capacity. It has a very small number of personnel. There is a RAP manager who is also a lecturer and a co-ordinator. There is also a skills shortage in the RAP.



In terms of the Integrated Development Plan for the Nkonkobe Municipality, the RAP views its role as that of feeding in, empowering, the council to achieve its objectives as laid down in the IDP and to carry on with the task of engaging communities within that framework. In order to facilitate this, each and every project that the RAP undertakes must be known by the municipality to avoid duplication and possible conflicts.

4.4 Conclusion

The current institutional relationship can form a solid basis for the integration of the various projects in which institutions are engaged into a coherent integrated development plan. The UFH as a major employer in the district, a potential attraction to tourists and a source of inflows from expenditure by students whose homes are outside the district makes it the institutional nerve centre for the entire district. All the

problems that affect the institution will be immediately relayed across the district economy.

4.5 Chapter Summary

The vision that is determined for Fort Hare in Alice carries the potential to affect the tone of everything that is done on the other campuses which are in Bhisho and East London – with major implications for the development of Alice. At the same time, there is a belief that the bold explorations that are carried out in Alice could have repercussions for the entire country.



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CHAPTER 5: DISCUSSION AND RECOMMENDATIONS

5.1 Introduction

In Alice, years of neglect of Human Resource Development by the post-apartheid regime has left a massive social and economic backlog. These backlogs have contributed very negatively to the development of the socio economic situation of the area and its livelihood. Accordingly, a plan must be put in place to review the situation and turn it around. In doing so many partners will be needed to play their specific roles.



This chapter presents an examination of the factors that weaken and strengthen efforts to build a human capital developmental agenda in Alice, as well as recommendations based on the findings of the study. The study focuses mainly on the role that the University of Fort Hare should play in human capital development of socio economic development of Alice as a University Town.

5.2 Discussion

The study has revealed that the direction in which the Strategic Plan Committee (SPC) is developing their vision has its own limitations. It seems to be over worded with a danger of ending up meaning little to anyone. The process does not seem to be inspiring to the lower level members of the management and to the students and as such some view it as most certainly not to get anyone to think much about what it means.

It appears from the study that the process has not consciously appreciated popular participation by all stakeholders including the community of Alice. Accordingly the current vision – it would be difficult to find ten (10) people beside the committee members and top management who will be able to quote or make a reference to it.

The researcher proposes that the Strategic Plan Committee (SPC) as part of reviewing the original plan should: -

- Review the current challenges facing the Province in terms of Human Resource Development as accurately articulated in many developmental policies of the Government of the day like the Provincial Growth and Development Plan 2014, Eastern Cape Province;
- Locate its strategic role and responsibility within those challenges thus crafting its contribution to the broader vision and mission;
- Locate Alice as seat of the University so as to define its role and contribution to the development of Alice and their mutual relation.



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Accordingly, the committee with other relevant stakeholders should collate a skills profile of the Alice community and measure it against the provincial picture of the needs while being specific in terms of the local skills demand, confined to Alice for purposes of integration and expansion of beneficiaries. Having completed the above task it should begin to craft a strategy that concretely responds to local Human Resource Provision and Distribution needs within the broader context of the province and the country.

Key to this task should be the definition of the contribution of Alice to Provincial and National Skills provision whilst in it results to sustainable socio economic regeneration of Alice as it again contribute to the development of the province in particular and the nation in general. This project should therefore not be understood as a separate project apart from the broader development agenda as envisaged by the vision and mission of the new democratic government's values, principles and ethos.

The Community and Business Development Centre (CBDC) embarked on a project in 2002 called the Alice Renewal Project. It was going to be funded by the Department of Public Service and Administration (DPSA) but nothing came of it as yet due to tactical differences with the municipality the municipality fearing that Fort Hare would want to take over the running of the municipality. These are unnecessary differences that hold development at ransom and should be avoided at all cost.



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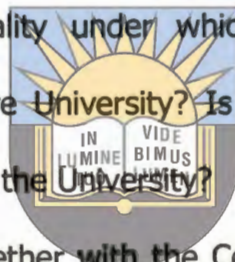
The questions that arise from this discussion are:

- Why are Fort Hare staff members not staying in Alice?
- Are they willing to enhance property development in Alice?
- Is Fort Hare buying locally produced products such as vegetables, fruits (oranges) etc as part of their procurement policy which promotes local economic development?

Consideration has been given to the fact that University of Fort Hare grows its own vegetables however the view is that this is not sufficient.

- Is there a conscious programme to transfer the research skills, assist in the community development initiatives and general training programmes for the community for skills development?

- Why are students involved in science and commerce programmes in particular not encouraged to give lessons to local high school pupils as these constitute priority learning areas for future human resource development in the province and the country? The sustainability and extension of the winter schools has not been achieved.
- Are lecturers giving literacy classes to the community beside computer lessons that require standard eight (8) or standard ten (10) certificates?
- This could be linked to the new approach towards Adult Basic Education and Training.
- Is Nkonkobe Municipality under which Alice as a town falls, taking full advantage of Fort Hare University? Is there a demonstratable will from the Council to partner with the University?
- What is Fort Hare together with the Council and the Community doing about the hospitality industry potential of Alice?
- Is there any agreement in place between locally based guesthouses or bed and breakfast houses and Fort Hare?



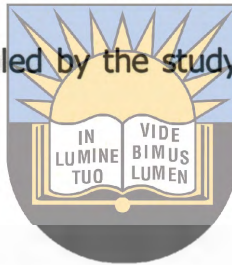
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The study revealed that the international and national events hosted by the University of Fort Hare do not benefit the Alice economy due to the fact that most of these guests are accommodated either at Hogsback, which is outside Alice, or at East London. The reason that has been advanced by the University of Fort Hare representatives is that Alice does not have sophisticated accommodation that can accommodate the guests from outside Alice.

The above contention might be true but an important question which remained unanswered, is why are they (UFH Staff and management) not ensuring property

development in Alice by either buying property or residing in Alice rather than Fort Beaufort, King William's Town and East London? Everybody who comes to Fort Hare and discovers this would surely be turned off, while, if the opposite happens all local bed and breakfast facilities or guesthouses will surely lift their standards.

The University of Fort Hare has started a very progressive programme of development of Community based cooperatives around many agricultural areas. It therefore makes sense that the University should in turn see itself as part of the market for these products as it has been revealed by the study that the cooperatives have no market for their products.

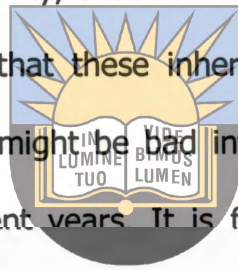


Beyond itself as a market the University has a capacity to help find out which other potential markets there are and to help the cooperative to reach out to those markets. This could also be achieved through a focused and broad based marketing plan of the cooperatives and their products.

The study also revealed that the winter schools could not be sustained let alone expanded as envisaged. The Street Law programme, which was benefiting youth and the community, is generally no longer fully operational. When these programme were running, they contributed immensely to the literacy campaign as they empowered communities with basic survival skills but also prepared grade 12 pupils for improved performance both in the trial exams and the end of year examinations.

Above all these programmes would translate any paper relationship into practical concrete issues of mutual benefit, as they would expose participating students to real community life practically. This study acknowledges the role played by Fort Hare currently, and strongly appreciates it; however it suggests that there are gaps. These gaps might be due to the problems or challenges that Fort Hare University has had to face.

These are: financial sustainability, academic viability and resource management and development. It is believed that these inherited legacies have been worsened by human error – whether this might be bad internal policies, managerial weaknesses and or internal strife in recent years. It is for that reason that the SP 2000 was introduced, to fundamentally reverse the effects of these problems.



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Furthermore, it is the researcher's contention that Fort Hare is contributing too little given the skills and expertise it possesses. Its capacity to help the Alice Community to develop is not exhausted, as it should be. The involvement of Fort Hare through the Community and Business Development Centre (CBDC) in the Nkonkobe IDP committee is, according to the findings minimal.

The findings show that Fort Hare University has to fulfil its skills development responsibility to Alice through the Nkonkobe Municipality within which the Alice town falls, as there is an interface between the worlds of education and work. Also the study reveals that as against the past, the situation in terms of interface between the community and the University is now favourable for a good practical relationship

between the community and the University as they share the same values, principles and ethos.

5.2.2 Strengths

- Skills provision capacity, institutional capacity and support especially for agriculture and the creation of potential market/s etc;
- New desire of University of Fort Hare to improve relationship with the Alice community, which is evident in the Alice-University of Fort Hare Integrated Development Programme;
- Large public sector markets such as hospitals, colleges, schools, nearby prisons for any product etc;
- Tourists sites, University history, with Fort Hare hosting the archives of the liberation movements as well as the art collection of the African National Congress, close proximity to Hogsback which is a tourist attraction centre, Alice lying in the basin of the Amatola mountains and the Double Drift Game Reserve;
- Low crime rate;
- Fairly established social infrastructure such as police station, hospital, courts, schools etc;
- Alice has hosted international sports events such as cricket at Ntselamanzi Township and could hosts other international sporting events if facilities and infrastructure allow; Fort Hare University also hosts numerous national and international visitors;
- Political cohesion and close-knit community;



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- Reasonable commercial and/or economic infrastructure like the banks, retail outlets, roads etc;
- The municipality has some capacity and cohesion;
- Political will to develop the town;
- Alice is close to the hearts of national and provincial leaders like the Minister of Correctional Services, Ngconde Balfour; Minister of Sports, Makhenkesi Stofile; Amatole District Executive Mayor, Sakhumzi Somyo, all these are direct products of Alice Community and/or the University of Fort Hare etc.



What is clear from the above is that tourism; agriculture; human capital development and socio economic infrastructure can ensure growth in the Alice socio economic situation. Alice nevertheless does not have a sophisticated tourist infrastructure such as accommodation, restaurants; craft centres, tour guides etc and it is therefore not easy to market the town in terms of its unique attractions. Fort Hare University can therefore try and use its resources and available skills and linkages to turn around the situation.

In terms of Agriculture, the University is currently running a programme on community cooperatives and the issue of expanded markets for them has been raised as a matter for strong consideration in the partnership between the University of Fort Hare and the Community of Alice. More still has to be done in this area in order to maximise benefits for both partners.

It is very clear that the issues of Human Capital Development will always constitute an integral part of any development of the society as needs change every minute. Alice cannot always depend on the University for skills and expertise, for any sustainable development skills and expertise should be transferred to the community on a regular basis for generation after generation and these will always change according to the needs of the day.

Socio economic infrastructure is a very strategic area of investment by any spheres of government in particular local government. No development without sound or favourable socio economic infrastructure. Although the study acknowledges this as to a certain extent available for purposes of consolidation, expansion and sustainability the partnership or relationship must take up this strategic area as part of the priorities. Whilst there should be a balance between social and economic infrastructure the bias should be towards economic infrastructure.



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5.2.3. Weaknesses

- Lack of business skills – no entrepreneurial skills;

Business skills are key to the success of any entrepreneurial initiative.

Enterprise development is the current national route towards the economic transformation of our country and should therefore constitute priority in any socio economic development that of Alice included. Institutions of higher learning are challenged to respond to this issue. The University of Fort Hare not excepted.

- Extension of Fort Hare University to East London will have a negative impact on the Alice campus and economy in that there might be possible retrenchments, relocation of staff members and decrease in student numbers which will then affect business in Alice;

Clearly, the expansion is appreciated as part of the development of our local institutions of higher learning. However experience tells us that when there is human movement from one area to another the socio economics of the affected areas are also affected. Unfortunately, the trend people relocate from less developed to more developed areas in the province, such as East London and Port Elizabeth is already established. Always, the consequences are very negative to the less developed areas. Alice is therefore not immune to the situation and its consequences.



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- The possibility of a skewed focus towards the newly established campus would take more of the available capacity;

The point has already been raised above. However the other angle is a potential competition as to which faculties should relocate to a better-developed area with personal interests playing their part. If the areas of expertise for intervention as proposed would be relocated to East London the effect for Alice would be less developed. At worst, academics and staff members resign from work and students switch institutions depleting the resources central to this study's concern.

- Lack of technical skills possessed by communities, in fact there is no technical skills base in Alice whatsoever – these are Transport equipment (includes motor vehicles), Textiles, clothing and leather goods and food products and beverages.

It must be said up front that lack of skills in Alice in particular technical and vocational is one key contributing factor to its socio economic underdevelopment. It is interesting to find this reality whilst the University of Fort Hare and Lovedale Further Education and Training College continue to at home in this small rural town.



- Alice economy dominated by service sector – almost totally in public sector;

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It has been said that most of the working labour force is employed by state institutions and the commercial bank and retail sector. The public sector accounts for more that 70% of the labour force. Most are teachers, police, medical staff and others. Generally these are professionals who are not paid well. Some of them do not reside in Alice and this affects the revenue base of Alice negatively.

- High levels of livelihood dependence on the state either through employment or pensions/ social security – approximately 70% of the total population are unemployed.

Over and above dependence on state social security grants, the community does not seem to be thinking about options for income generation. Added to the burden of

narrow public sector based economic revenue is the social grant. This situation is disastrous for the socio economic development of Alice. Surely the University of Fort Hare with its capacity to provide strategic thinking can help t turn around the situation through Human Capital Development that provides opportunities for alternative job creation.

- No focused and vigorously driven community based economic development plan or strategy;



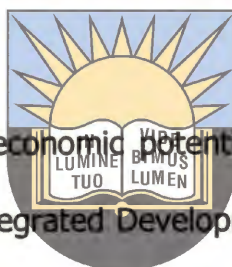
Any development be it social and/or economically, that is not driven by the direct beneficiaries in this case the community of Alice, is not sustainable. Militating against it happening in Alice is lack of skills. Surely the University of Fort Hare would not forgive itself if this is allowed to perpetuate while it is still hosted by this very community.

- IDP although completed not fully implemented;

It is argued that over and above financial resources, non-implementation of the Integrated Development Plan of Nkonkobe municipality, under which Alice falls, is related to its lack of capacity to implement the IDP. Definitely, the University of Fort Hare with all its intellectual expertise can not afford to see developmental plans not being implemented due to lack of human resource development in the municipality.

- Underdeveloped agricultural infrastructure like fencing, dipping tanks, irrigation and farmer support programmes;

Throughout the province, the need to target improvement of the agricultural infrastructure in order to improve economic activities constitutes a priority of the Provincial Growth and Development Plan. The University of Fort Hare is one of the key stakeholders in the Provincial Growth and Development Plan (PGDP) and therefore has interest in its success.



Alice is a rural town whose economic potential rests with the agricultural sector as admitted in the Nkonkobe Integrated Development Plan. Surely the University of Fort Hare would not be happy with any situation that undermines the success of the Provincial Growth and Development Plan, particularly if it relates to agriculture for which Fort Hare is respected in the Country.

- No agro-processing sites or programmes for local beneficiation;

Although subsistence farming is very important for food security in Alice, it is imperative that raw materials be processed particularly for purposes of commercial vegetable and fruit farming. Currently all the produce of the rural areas are transported by outside services to places like East London and even out of the province.

Therefore agro-processing zones are critical for processing raw material into products ready for consumption. The University of Fort Hare with its skills will definitely blame itself if these matters could not be addressed and the skills provided for their management and sustainability.

- Lack of strategic distribution and utilization of the available land for agricultural development projects;



Although land is made available through the programme of the National Department of Land Affairs, no one seems to take advantage of the programme and identify land for farming. The University of Fort Hare has some experience in this regard and has just launched a programme on Land reform and Agrarian transformation. Therefore it will definitely want to contribute in skilling the people of Alice to take advantage of this situation.

- Lack of institutional support for Small, Medium and Medium Enterprises (SMME's) like access to credit, business and technical training, marketing support etc;

Small, Medium and Macro Enterprise Development is at the centre of economic development and transformation in the country and as such their support is very critical. The University of Fort Hare should be seen to be playing a central role in ensuring that SMMEs are supported in capacity provision, access to capital and other aspects.

- Lack of outside investment or foreign direct investment;

Without outside investment any institution, expected to provide service to its communities will always experience difficulties. The Nkonkobe municipality has limited revenue base unable to finance all of the Integrated Development Plan and projects as they affect Alice. The University of Fort Hare has a partnership with both local and international potential funders of socio economic development programmes in Alice. It is in its interest to ensure that its influence over its partners benefits the Alice town.



- Lack of strategic and sustainable marketing of Alice and its developmental niches;

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Alice is one of the most interesting tourist destinations; however, you will never see Alice being promoted in your National Short Left TV programme. Secondly Alice has never occupied a centre place in the provincial tourism plan. This is despite the fact that the University of Fort Hare itself is a tourist destination given that it houses the African National Congress Archives and that has documentation about many liberation movements (Nkonkobe Regeneration Study:2001).

According to a draft proposal written by Dr Strijdom on the beautification of Alice, it is obvious that the University of Fort Hare is not happy with this situation and is therefore ready to make its own mark in turning the situation around to the betterment of the livelihood of the community of Alice. Therefore human capital

development around this niche is a responsibility of the University of Fort Hare so that it cannot be happy with the status quo.

- Alice economy not geared towards local, state or public sector markets – there are no linkages between agriculture and manufacturing sectors.

Most people who working in Alice are employed by the state or the public sector. A few are found in the commercial sector in banks, supermarkets and small retail shops.

There is a lot of potential for agricultural development, which in turn will result to the creation of many job opportunities thus opening up a new sector of economic participation, that would broaden the revenue base of the municipality.



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Failure to take advantage of such sectors creates an immediate and long-term problem for the economic and social development of Alice. The University of Fort Hare is definitely worried about this situation given its capacity to intervene and provide capable human resources to intervene in this economic sector.

- Weak/ unstable business and farmer associations.

Organised institutions are a source of strength and can provide guarantees for long-term sustainability of any social and economic development project. However when any developmental programme is disorganised, it is doomed to fail. The University of Fort Hare can never be happy when development programmes in its town fails.

- Weak councillor/ community relations – lack of proper consultation.

The socio - economic development at issue here is for the benefit of the community of Alice. The local councillors are elected public representative whose basic mandate is to facilitate socio- economic development through regular and direct participation by the communities themselves.

The Local Government Structure Act (117 of 1992) has even provided for Ward Committees as daily coordinators of community development. Any lack of communication and accountability between the councillors and their communities is a recipe for disaster and must be avoided. It has been identified that some of the reasons for lack of accountability relate to poor comprehension by councillor on their roles on a day-to-day basis. This has also affected the Ward Committees. The University of Fort Hare should welcome any opportunity to share its expertise.



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The above named weaknesses detract from Alice as a university town. Everywhere dependence on state grants is due to high unemployment rates, but these rates are highest in rural areas (63% of the total population unemployed) than in the urban area (56%). (LED Strategy Report: 2002). There are very few job opportunities in Alice.

The high unemployment rate includes the economically active population of students, but also women who do not have access to job opportunities. Furthermore, the Alice LED strategy Report (2002) revealed that employment for reason of technical skills accounts for 72 377 of the 120 925 employees in manufacturing. This activity is,

however, highly concentrated around the major urban centres and Alice therefore should develop marketing networks to supply such products.

The fact that there are no linkages between agriculture and the manufacturing sectors suggests the need to consolidate the comparative strength of agriculture in the local economy, and at the same time to promote agro-processing, and explore strategies to develop strategies to develop other sectors such as tourism.

The high dependence on the state is worrying given globalisation trends towards a smaller sector and the lack of viable and sustainable economic growth in other sectors, perhaps with the exception of agriculture. The Alice town has a tremendous potential for the development of relevant skills for local economic growth.



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The relationship between councillors and the community has gone through rough patches. In 1999 for example, the budget was completed under severe time constraints, which resulted in its submission to Pretoria before councillors took it to the wards for discussion. The tariff increases proposed were met with resistance due to this lack of consultation, despite being approved in Pretoria.

5.3 Recommendations for future research and Limitation of research

5.3.1 Recommendations

Fort Hare has specific resources, human, organisational and material, that can be used in a multi-faceted process of local government. The aim is to create a mutually beneficial and sustainable environment where both the university and the community (Alice) will flourish. Based on the findings of the study, which reveals that Fort Hare University possesses the needed technical expertise and organizational capabilities the researcher strongly recommends that Fort Hare University should use this capacity to ensure the following:



- Two points emerged from the discussion on the projects offered by Fort Hare University. Firstly, there is a need to have an organization that will cement the structural relations between the UFH with the Community and as the local council (Nkonkobe). This will help to address the whole range of issues related to capacity, which has been found to be very central to resolving the issues being confronted. Such an organization would coordinate all projects and would ensure that they are within the value chain.

It would also avoid duplication, improve coordination and monitoring. This structure could entice participation from other potential stakeholders in and outside of Alice and the University of Fort Hare. Secondly, there is a need to establish partnerships with existing institutions that are already in the sectors in which these projects are located.

- The municipal staff and councillors are the key drivers of the LED strategy and therefore should be oriented and capacitated to enable them to meet their mandate. What is highly recommended is the establishment of an LED unit or committee within the municipality which will deal with the setting up and the coordinating of the various task teams that will begin to develop sector-specific tourism, agriculture and infrastructure development strategies.

This will require a fairly high level of skill in planning coordination and monitoring and strategic thinking and it is suggested that this skill can be harnessed from the University of Fort Hare and other partners including provincial government and the private sector.



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Councillors have been trained in the basic areas of municipal functioning, most intensively around 1995 and 1996. More recently some councillors have received training in municipal law pertaining to councillors, training in Public Private Partnerships (PPP's) and in LED implementation.

No training on the new local government system and in legislation flowing from the White Paper, including the Municipal Finance Management Act, has been given. The Council would benefit from this enormously, as they seem committed and willing to pursue developmental local government concept, which is the cornerstone of the new system of local government.

The Local Economic Development unit as proposed would amongst other things pre-occupy itself with this work and ensure direct community participation since, as a matter of principle sustainable development should be driven by communities through such structures as ward committee with other stakeholders playing supporting role. Fort Hare should therefore publicise its available resources and orient aspects of its resource-base towards a Local Economic Development approach.

It is therefore anticipated that this coordinated LED initiative will contribute to the solution of problems that have emanated from the University's retrenchment policy in 1998 which is viewed by Fort Hare management considers to have been necessary but which hit on the local economy.



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- Fort Hare University should ensure that the technical expertise and organizational capabilities it possesses fit closely with the priorities and decision-making of the municipal council for the partnership to be successful by linking all its projects with the LED strategy.

This requires from both the University of Fort Hare and the Nkonkobe municipality in particular Alice Community through the proposed organisational structure to put together joint planning sessions and share as much information as possible necessary for joint planning. However this should not be construed to mean reducing the University of Fort Hare to be the University of Alice. The proposed structure would then monitor and evaluate any joint programme and regularly propose improvements.

- Fort Hare should also assist the municipality in terms of developing tourism and agriculture business plans for Alice. The Tourism plan should package a range of specific projects to develop the tourism through an improved hospitality sector and other tourism related trade sectors like tour guiding, catering etc. The University of Fort Hare has already been identified as a strong international tourism site and should therefore be promoted as such.

A strong marketing plan for tourism needs to be improved by the establishment of a local municipality based tourism centre with specific focus on Alice and the surrounding villages. The plan must provide for improvement of the hospitality situation and take advantage of the low levels of crime already identified as strength.



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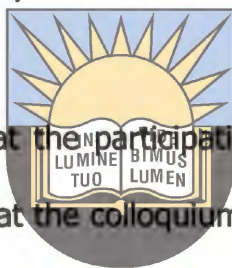
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Young people from Alice could play a very significant role in terms of being or serving as tour guides and as such the University could run short to medium term courses on tourism to target unemployed young people the municipality providing financial support through their skills development fund, drawing from the Local Government Training and Education SETA but also in partnership with the Provincial Tourism Board and the relevant SETA.

Through its capacity the University of Fort Hare could also help to create linkages with outside partners. The University of Fort Hare should ensure that it markets Alice as a tourist destination (tourism as one of the strategic thrusts for economic development)
 – Alice has a rich history and heritage, being home to both Lovedale College and Fort

Hare University, which together have nurtured some of Southern Africa's most revered leaders (as advertised in the UFH website).

- The agriculture sectoral plan should package projects to revitalize agriculture in and around Alice starting with the already existing cooperatives. The University of Fort Hare has this year launched an important programme the "Land and Agrarian Studies Programme" during the launch of the South African Communist Party "Red October" programme.



However it must be noted that the participation of the Nkonkobe Council and Alice Community was minimal both at the colloquium and address by the General Secretary of the South African Communist Party, Dr. Blade Nzimande. The commitment of the University was clearly demonstrated by the presence of its top management on both days including the Vice Chancellor Professor, Derrick Swartz.

The Provincial Growth and Development Plan of the Government of the Province of the Eastern Cape identifies this kind of programme as the second key objective expressed as "Agrarian Transformation and Household Food Security" whose interventions would include amongst others; the promotion of smallholder farming through focused extension and credit services, the development of processing zones, marketing and storage facilities and upgrading of rural access roads, developing new opportunities for commercial production including forestry, vegetables and fruits within the context of cooperative and/or partnerships, and protecting the land through community based programmes for catchments management.

This programme presents a great opportunity for the benefit of the local community in Alice. Given its theme, the programme integrates agriculture with land reform. Farmers associations became quite crucial for the success of this programme.

Through the proposed organisational structure between the University of Fort Hare and Nkonkobe Municipality and Alice Community the coordination of this programme must be improved and create opportunities for local beneficiation through pilot programmes given that this is a Provincial and National Programme.



The National Department of Land Affairs through its Director General Dr. Mayende has committed itself to support this programme in all forms where possible. However as noted above, the first steps should include the direct mobilisation of the municipality and in particular the Alice Community around the programme to be direct participants.

An audit of the existing land that is available for agriculture should be conducted, unemployed young and old community members must be organised into cooperatives in various intervention areas as articulated in the Provincial Growth and Development Plan. The successful implementation of this programme will contribute immensely towards the improvement of socio economic development not only of Alice but also of the entire province with the Alice Community being the immediate beneficiary.

Networking with other stakeholders must be developed as matter of urgency; the inclusion of the Provincial Government through the Department of Agriculture and Land Affairs is essential. The University has already launched cattle farming project in

partnership with the local community in Nkonkobe and the provincial government with the Honourable Premier of the Province committing her government to support the initiative.

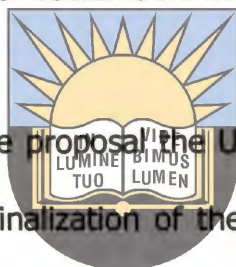
This should be emulated for the above programme while integrating all agricultural related programmes and packaging them into the proposed plan. Finally this programme must gradually be community driven as it expands to other areas of the province. Central to the programme is skills development around the identified interventions.



This can best be housed at the University of Fort Hare under the programme led by Professor Siphon Buthelezi. This is a definite niche area for socio economic development of Alice town in a partnership of the University of Fort Hare with the community through the council playing a leading role whilst the University provides skills and other intellectual requirements like research, promotion and marketing.

- The University of Fort Hare should facilitate an advanced detailed training programme targeting senior staff of the municipality training them in the new governance systems including the new Municipal Finance Management Act. Although these are partly provided for through the Fort Hare Institute of Government, special attention has to be given to the area concerned. Furthermore, lower level staff should be equipped with technical skills.

The municipality has, through Local Government Sector Education and Training Authority invested finances for capacity building of its employees as demanded by the Skills Development Act. This means the University does not need to budget for this and only needs to package a course content responding to the needs of the municipal employees and these courses should be tailor made to benefit the identified areas of development as articulated in the Integrated Development Plan of the Municipality. Councillors should be an integral part of this conscientious effort to ensure proper leadership and skilled teams for sustainable development.



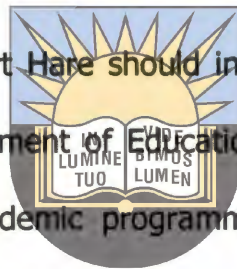
- In line with the above proposal, the University of Fort Hare University should also assist with the finalization of the Skills Development Plan for municipal employees, as this remains a challenge to Nkonkobe municipality Human Resource personnel. The finalisation of the Skills Development Plan is not just a legal requirement but an input for the above proposed training programme. Without the plan the training will remain ad-hoc and unfocused and will just result in a waste of scarce resource.
- The Nkonkobe Municipality has developed a Performance Management Plan for itself and its employees. In crafting the above training programme this should be considered as part of the broader strategy to improve service delivery and uplift the socio economic situation of Alice town.

It is therefore necessary for the University of Fort Hare to constantly develop and outside a municipal assessment tool as to ensure that the skills development plan

delivers desired results. This is viewed as an outside evaluation tool, which should be appreciated as such by all partners.

The internal evaluation can be achieved through the capacitation of Nkonkobe municipality Human Resource Department personnel so as to be able to implement the performance management system to deal with staff able to perform their jobs adequately and to design incentives for improved skills within municipal ranks.

- The University of Fort Hare should initiate a programmatic relationship with the Provincial Department of Education that seeks to assist local schools to provide relevant academic programmes and learner materials in order to reinforce the supply of human resource to be further trained at tertiary level.



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These programmes offered by schools should address the strategic areas for intervention for the enhancement of the socio economic situation of Alice and this partnership with the Department as initiated by the University should include the Local Council, Local Community and the Private Sector.

Therefore there should be centres of excellence in the Alice area relating to Tourism, Agriculture, Marketing and other science and commerce subject. The role of the University in this partnership will centre on the conceptualisation of these centres of excellence, training and providing skilled teachers for the centres; whilst the local council should provide infrastructure and together with the community market and mobilise young school going people to take these programme as career paths.

The private sector should be mobilised to provide seed funding and be encouraged to adopt these centres. The department of Education should together with the local council, collaborate in the provision of infrastructure and the department should further provide personnel and play a coordinating and funding role. Linked to the key outputs of the centres of excellence will be programmes such as life skills programmes.

- The University of Fort Hare should revisit the community-targeting programmes it used to run in the past like the Street Law and other programmes. We should see more of academic staff entering into partnerships and adopting specific schools with the intention of transferring knowledge and skills to educators at school level whilst sometimes taking up extra classes with learners in the form of tutorials on priority subjects.



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Revitalisation of the annual grade 12-winter schools is a priority but must be spread across all three quarterly vacations and be expanded to include other lower grades. A joint annual programme with the Department of Education, Eastern Cape Youth Commission, Local Council, the School Governing Bodies, Political Organisations, non-Governmental Organisation and the Private Sector should be launched to assist with the promotion of a culture of education within the community and the surrounding villages and to gear learning to local needs. This would call for structural and programmatic relations between stakeholders mentioned including the district office of the Department of Education.

- The University of Fort Hare should also help with qualitative and quantitative upgrading of the municipal/community library and encourage municipal staff, community members and its student community and academic staff to share library resources.
- Fort Hare should revisit and start implementing the recommendations/proposals it made in the SP 2000 (pp33 and pp 45) that says it will invite Alice Businesses to set up premises on campus; encourage basic literacy and numeracy by developing courses and qualifications an ABET that make it rational for the University to involve itself in the area locally; restructure farm to enable community orientation; orient relevant faculties and centres towards the study and development of small enterprises.
- Fort Hare University should assist Nkonkobe Municipality within which Alice falls, with ways of linking skills training to LED strategy and specific LED projects and not only limit its scope to being a part of the IDP committee. This requires that the skills need of the council be linked to the plans. This will need a special partnership with the council's skills development officer and/or human resource development manager.
- Fort Hare University will need to provide training for a reinvigorating apprenticeship system through programmes such as those called learnerships and will need to develop a sizeable repertoire of training programmes oriented towards the small, medium, and micro enterprise (SMME) sector.



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SMME development and support is currently the most important programme aimed at transformation the economy for the benefit historically disadvantaged communities. This programme has the support of the President of the Country who himself has strong a association with the town of Alice, having studied at Lovedale College.

Any initiative in this programme should be guaranteed political, moral and financial support not only from provincial government but also from the highest office of the land. The study has revealed a gross lack of Entrepreneurial skills and/or business skills. If not addressed in the context of developing and implementing intervention plans as identified above any envisaged socio economic development will be doomed. Therefore the centres of excellence should address this strategic area of focus not as a separate issue but as an aspect of the broader plan and as a tool to realise the vision.



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- Dr Strijdom proposes that conditions must be created for the first new generation of local property owning staff to begin the process that will eventually develop over years into a situation where the majority of Alice main campus staff will live around Fort Hare and Alice again.
- A conscious student recruitment programme targeting local young people to join the community of Fort Hare as students should be promoted and be popularised together with the local community through schools in Alice. This should not be a once off campaign but be integrated as part of skills

development programme targeting local young people through centres of excellence and all schools in the Alice area.

- The University of Fort Hare should start an adult basic education programme linked to the intervention areas and linked to the expanded public works programme. This suggests a departure from the conservative normal literacy adult education where adults are taught how to write their names and speak foreign language so as to be focused training for a specific purpose such as building a local road or building a house. This will help to create semi-skilled and skilled labour force ready to enter the market.

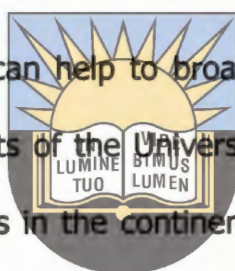


- The students as part of their degree qualifications should do community work on a regular basis. They must however be closely monitored and evaluated. This applies for all faculties.
- The community must buy into, in fact, it should be part of the crafting and designing of such partnerships not only as beneficiaries but also as equal partners who have a responsibility to lead and sustain the programmes.
- The already existing sport and recreational relations between Alice and University of Fort Hare should be strengthened, consolidated and advanced towards the realization to possible development of local talent whilst continuing to create opportunities of hosting many other provincial, national and

international events thus creating short term job opportunities and skill transfer to specific areas as will be needed.

- In line with the Nkonkobe Development Agency objectives, Alice must with the help of the University of Fort Hare and its Alumni establish a forum for all successful former residents "children of Alice" to come together on a regular basis to discuss and shape their own contribution to the broader programme.

The University of Fort Hare can help to broaden the focus beyond the "Children of Alice" but include the products of the University of Fort Hare beyond those who are from the country to all others in the continent and beyond including current African Leadership produced by the University of Fort Hare.



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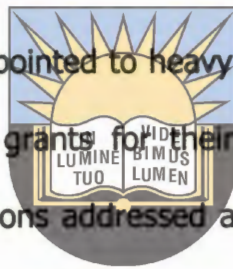
- Although the study has exposed critical reasons for the low rate of implementation of the Integrated Development Programme other than the financial constraints, it is the view of the researcher that issues related to capacity of lower level of the municipal employees in terms of identifying with the IDP and to understand its importance is an issue to be considered.

Secondly the study has revealed although to a limited extent a need for capacitating councillors on issues pertaining to Democracy and community participation on all decisions of the council and in their implementation. SABC 1 recently aired the spat between the community of Fort Beaufort and the council on a housing project, which

was supposed to have started in 1997, but only began in 2004 and is still not completed. This reflects on accountability and community participation.

The University could through its advanced research capacity draw lessons from other areas in the country and outside the country and duplicate these for councillors so as to improve community participation thus improving the socio economic situation through sustainable service delivery.

- The study has already pointed to heavy dependence of the community of Alice on government social grants for their livelihood. This is a very dangerous situation for the intentions addressed above. All the plans will definitely fail if this situation is not addressed as aggressively as possible.



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One strategy that the University of Fort Hare could help to develop and implement in partnership with the Local Council, Department of Social Development, is how to transform the grant into economic inputs for developmental community based projects through community cooperatives. Instead of payments to individual beneficiaries of social grants, they should go to a cooperative in subsistence and commercial farming of at least ten families of beneficiaries, who will combine the monies be given a piece of land, buy farming implements produce vegetables and fruit for their consumptions and sell the surplus.

The role of the University of Fort Hare will be to develop the strategy, help with farming skills, together with the Department and council promote and popularise the

project, mobilise communities to accept and support the project, hand over the project as a community project. The Department of Social Development shall continue with its responsibility to be the primary funder. The Local Council should be charged with the creation of markets for the surplus.

- All these strategies when applied will help to diversify the local market of Alice from being public sector based into more than that through the creation of job opportunities, which come together with, the implementation of the intervention areas or strategies.

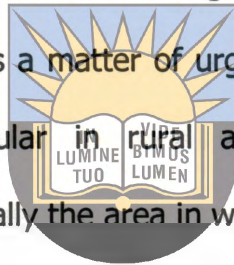


- Through intergovernmental cooperation and collaboration on the above intervention programmes, direct foreign investment may be attracted. However the University of Fort Hare together with the Local Council should initiate and run an inter-governmental programme through twinning programmes with other countries, these countries could include those that the University is already linked to.

Through this programme, new markets for products of the Alice town cooperative could be created; creating job opportunities but also the town and the University would be marketed to the world. The Offices of the Honourable Mayor, the Vice Chancellor and the Chairperson of the University Council will be very critical in running with the project.

Again the Alumni, the products of the University of Fort Hare across the globe, the "Children of Alice" where ever they are now should be entrusted with the responsibility to mobilise support for all the intervention programmes with the intention to improve the socio economic situation of Alice through partnerships with the University of Fort Hare. This could be one of the priority projects.

- Where there is no organised community, development is doomed to fail. It is therefore proposed that the lack of organised farmers and business association should be addressed as a matter of urgency. One of the weaknesses of these associations in particular in rural areas like Alice is their inability to conceptualise theoretically the area in which they operate.



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They are usually very narrow in approach and are survivalists. This could be addressed through capacity building of their leadership as well as members with mentorship programmes. The University of Fort Hare through its cooperatives section, the Department of Economic Affairs through its Small, Macro and Medium Enterprise development section, the Local Council through its Local Economic Development section must jointly address this problem. This could spill over to many other sectors beyond agriculture to include others like transport etc.

- Dr Strijdom in his draft Proposal raised the following issues: -
 - That there be a new residential area and staff home ownership- this is a new high quality residential area which will be developed in a phased manner on ideal

parts of the vast University land, where staff can buy or build their own home;

- A new high quality school, run by the university;
- Student centre business hub, which is a centralized business hub developed on campus with facilities including banking, sports, music, book and coffee shops, film theatre, chemist, restaurants, laundry and/or dry clean, etc.



This has been practiced at other Universities e.g. Rand Afrikaanse Universiteit (RAU) and Stellenbosch and recently RAU purchased a piece of land to do the same. The purpose should be to promote integration of the University with the Alice town whilst expanding service provision in a qualitative manner, providing job opportunities and enhancing human capital development.

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Networking as argued above will help to mobilise resources to fund and sustain all the above initiatives. It has already been acknowledged that the economic principle of many needs with limited resources is also applicable to this situation with the local council already conceding.

In summary, the study proposes that Fort Hare University should concretely address the human capital development needs of Alice particularly with respect to:

- The skills and applied competencies required for integrated rural development, environmental resource management, local government support and training and rural economic development;

- The technical and project management skills required for the unprecedented roll out of social and economic infrastructure delivery in Nkonkobe municipality;
- The skills required for a more efficient and effective local government – developing skills in such areas as financial management, public and corporate management, development planning, budgeting, project management, information management, information technology, among others.
- Applied skills for economic development, in areas such as tourism, agriculture (especially forestry and agribusiness), construction and SMME development.



5.3.2 Limitations on the research

The study conducted by Eastern Cape Socio-Economic Consultative Council (ECSECC: 2002) revealed that 16.4 % of the Alice population have no education, and are presumably illiterate, and that the labour force is largely unskilled or semi skilled, and with little formal employment, entrepreneurial skills are in demand. This was seen in the manner in which some of the people interviewed asked to partake in the survey struggled to understand the questions and give accurate answers.

The town of Alice is situated in a low-lying valley. Some areas that are not suitable for development, for example a swamp in Ntselamanzi where approval for a housing development was denied. Local government in the Eastern Cape is arguably in a state of crisis. Basic service provision is under threat from serious financial problems in many local municipalities. The ability of local councils to tackle a complex area like

LED is therefore limited. Local authorities need realistic approaches to LED that are appropriate to the context of small, rural-based towns with limited tax bases.

5.4 Conclusion

Conclusions can be drawn from the study at many different levels. As outlined before, the study provides a foundation for identifying the role Fort Hare University should play to enhance the socio-economic development of Alice as a university town through human capital development. There are many able and willing institutions that can provide skills development to the people of the area. The town has a distinct advantage over other areas in its vicinity or within the Nkonkobe Municipality in terms of its institutional capacity for skills development through direct access to the University of Fort Hare. *Together in Excellence*

Alice through Nkonkobe municipality should play a coordinating role. The University of Fort Hare requires a broader economic development strategy, which should be developed together with the Nkonkobe Municipality as lead partners in order to be able to locate its specific role. This is about setting priorities and expectations for future development paths and these priorities will be partly realized by the decisions the Fort Hare University takes.

This view is based on the fact that councils have focused on addressing backlogs on infrastructure and services and this does not address issues of affordability, which requires decisions on infrastructure in terms of its impact on income-earning activities.

It means that there is a vacuum in terms of both a vision for the development path and the mechanisms to achieve it, should underlie the prioritization decisions. The findings show clearly that the reason why a lot of developmental projects have collapsed in Alice, was lack of leadership, management and strategic marketing skills while some were not properly coordinated and monitored. To name just a few, Amatole Basin Poultry Project, funded by South African Brewery and the Department of Social Development with 39 people involved before it closed down in October 2000.

Because of under qualified or inexperienced staff and councillors it is strongly recommended that the University of Fort Hare should help to build the skills profile of the Nkonkobe municipal staff and councillors through formal education, technical skills and training related to development challenges. Considerable training is urgently needed for staff to perform their functions. Training in finance is particularly needed in relation to budget preparation, debtor's administration and accounting for transactions, Financial Reporting (AFS) and the implementation of GAMAP.

A community based skills audit is also a priority for the Socio - Economic Development of Alice through Human Capital Development. The University of Fort Hare could make use of unemployed graduates so as to transfer skills to the unemployed who should carry out the study.

The review and development of a new five-year Integrated Development Plan for the Municipality from 2005 till the next local government elections of 2010 provides an opportunity for the above proposals to be considered for inclusion from the planning

phase. If included it would facilitate the mobilisation of funding and community buy-ins since it is legally required that local councils should consult before the Provincial Member of the Executive Council approves the Integrated Development Plan.

Most important to the success of any partnership between the University of Fort Hare and the Alice town is the preparedness and unwavering commitment by all parties involved; the Municipality, Community of Alice and the University towards the sustainable development of Alice. Accordingly Fort Hare pulling alone can not succeed.



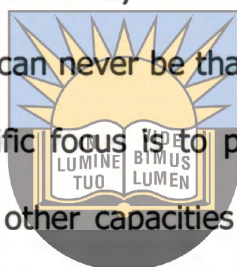
Lastly, Alice is but part of a bigger Municipal area, Province and Country as much as the University of Fort Hare is a National Institution, which should play a role beyond the continent and begin to compete with other international institutions. Within this context the socio economic development of Alice can not be a private concern of the Nkonkobe Municipality or the Fort Hare University but it should include all other stakeholders in the province and the country including international twinning partners.

Any intention to monopolise and/or privatise the development of the socio economic situation of Alice town into a property of the University of Fort Hare and the Nkonkobe Municipality will only provide a good recipe for a disastrous failure of good intentions.

Therefore the need is for partnerships with all other stakeholders such as the Amatole District Municipality whose Executive Mayor is a citizen of Alice and a product of the University of Fort Hare, The Provincial Government whose Premier is a Product of Fort

Hare, National Government which has at least two Ministers who are residents of Alice and very close to the University and the Town, Local, District, Provincial and National private sector, Local, District, Provincial and National Political Organisations, Non-governmental Organisations (NGO's), and prominent individuals like the Former and the Current President of the Country who are both products of the University of Fort Hare.

Accordingly, any development driven by outsiders is doomed to fail. Therefore the role of the University of Fort Hare can never be that of ownership of this development but only a partner whose specific focus is to place at others disposal its intellectual, infrastructural, academic and other capacities and capabilities for the community of Alice for maximum utilisation towards Alice's socio-economic development. In sum, these capabilities and capacities can best be referred to the ability to contribute towards Human Capital Development for the socio-economic development of Alice.



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Key to any successful socio-economic development is the ability of the community to drive its own development. Community development is the property of the community itself and all others must contribute and help to achieve the developmental goals. Therefore at the centre of Alice socio-economic development is the community of Alice.

In conclusion, the central concept advanced by this study is for the public higher education institution (Fort Hare) to be geared towards training, research and community service around the offerings that focus particularly on Alice as a university

town. Thus, the study proposes that Fort Hare University should provide knowledge and skills required for the social, economic and cultural development of Alice as a University Town. The fulfilment of the above will ensure that Fort hare plays the traditional role it used to play in the past, by becoming involved in the exciting developmental challenges of the society



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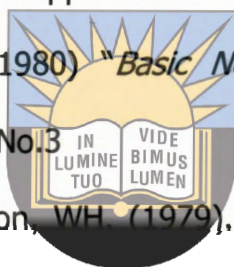
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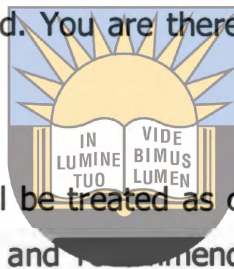


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APPENDIX A

HUMAN CAPITAL DEVELOPMENT: AN EXAMINATION OF THE CONTRIBUTION OF THE ROLE OF FORT HARE UNIVERSITY TO THE SOCIO-ECONOMIC DEVELOPMENT OF ALICE AS A UNIVERSITY TOWN.

I am a Master of Public Administration student at Fort Hare University of Fort Hare (South Africa) doing a study on Human Capital Development; an examination of the contribution of Fort Hare University to the socio-economic development of Alice as a university town. The research is part of my degree programme hence your co-operation is highly appreciated. You are therefore urged to respond to the following questions.



Whatever you will provide will be treated as confidential as possible and will only be used for academic purposes and recommendations will be made available to both institutions. Every individual's response will not be part of his or her personnel record, nor will they be publicised. *Together in Excellence*

Should there be any queries or clarity seeking questions, do not hesitate to contact the researcher.

I trust that your participation in this survey will be worth your while.

INSTRUCTIONS

Please mark your answer with an X in the appropriate box representing your feelings on the following items.

Acronyms

SA - Strongly Agree

A - Agree

U - Undecided

D - Disagree

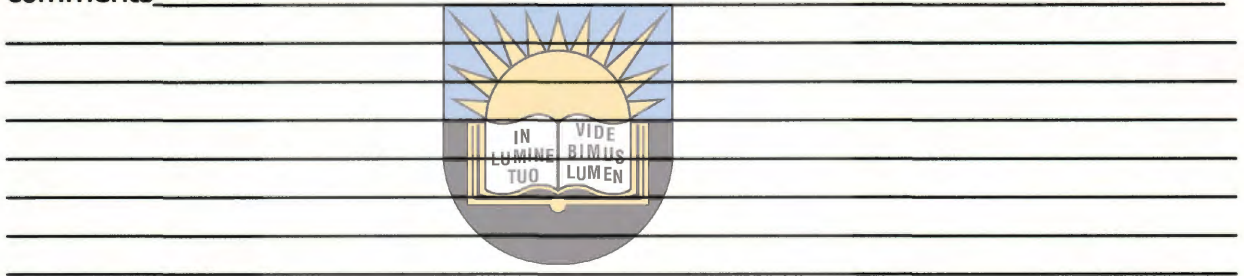
SD - Strongly Disagree

THEME	QUESTIONS	SCALE				
		S	A	U	D	SD
1.Top Management of the Fort Hare University	1. The Institutional Leadership and Management at Fort Hare University views and understands the University as an integral part of the Alice Community					
	2. The management and leadership of the University in developing the strategic path for the University always locates it within the Alice socio-economic Development plan amongst others					
2.Political Leadership Alice (Nkonkobe Municipality)	1. Whenever the Integrated Development Plan of Alice is crafted, the intellectual capacity harboured at the University is always utilised					
	2. University infrastructure is used to enhance planning, monitoring and evaluation of the development programmes					
	3. Intellectual property at the University is used to develop human capital for the implementation of the Integrated Development Plan by the Council Officials					

3.Academic Leadership and Programmes	1. The University always tailor make their programmes in such a way that community work is carried out at Alice by students					
	2. The content of academic programmes is designed in such a way that it responds to Alice developmental needs amongst other					
4.Student Recruitment Programme and Policy	1. Management has an affirmative action policy to give preference to local potential students in the recruitment plan					
	2. Local potential students are always encouraged by local leadership to study at the University and thus plough back the skills acquired through local development programmes					
5.Government Support	1. Provincial Government in partnership with the local council					

	always put aside "sufficient" funding for the University Human Capital Development targeting the Alice area as outlined in the Integrated Development Plan						
	2. A relation between local school syllabus and the University reinforce the local Human Capital Development needs						

Any additional comments _____



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THANK YOU FOR BEING PART OF THE SURVEY

APPENDIX B

THEME	QUESTIONS	SCALE				
		SA	A	U	D	SD
Top Management of the Fort Hare University	1.The Institutional Leadership and Management at Fort Hare University views and understands the University as an integral part of the Alice Community	9	4	1	7	29
	2. The management and leadership of the University in developing the strategic path for the University always locates it within the Alice socio-economic Development plan amongst others	8	9	5	8	20
Political Leadership Alice(Nkonkobe Municipality)	1. Whenever the Integrated Development Plan if Alice is crafted, the intellectual capacity harboured at the University is always utilised	7	3	3	10	27
	2. University infrastructure is used to enhance planning, monitoring and evaluation of the development programmes	7	1	4	20	18
	3. Intellectual property at the University is used to develop human capital for the implementation of the Integrated Development Plan by the Council Officials	7	2	5	6	30

Academic Leadership and Programmes	1. The University always tailor make their programmes in such a way that community work is carried out at Alice by students	7	5	8	7	23
	2. The content of academic programmes is designed in such a way that it responds to Alice developmental needs amongst others	8	4	4	14	20
Student Recruitment Programme and Policy	1. Management has an affirmative action policy to give preference to local potential students in the recruitment plan	4	8	9	18	11
	2. Local potential students are always encouraged by local leadership to study at the University and thus plough back the skills acquired through local development programmes	17	5	4	3	21
Government Support	1. Provincial Government in partnership with the local council always put aside "sufficient" funding for the University Human Capital Development targeting the Alice area as outlined in the Integrated Development Plan	8	11	3	6	22
	2. A relation between local school syllabus					

	and the University reinforced the local Human Capital Development needs	2	4	11	15	18
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Acronyms

Total points gained

SA - Strongly Agree
A - Agree
U - Undecided
D - Disagree
SD - Strongly Disagree

84
56
57
114
239



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