Structural Adjustment Programmes by World Bank

Structural Adjustment Programmes are the policies implemented by the International Monetary Fund (IMF) and the World Bank (the Bretton Woods Institutions) in developing countries. These policy changes are conditions for receiving new loans from the IMF or World Bank or for obtaining lower interest rates on existing loans. Conditions are implemented to ensure that the money lent will be spent in accordance with the overall goals of the loan.

Structural Adjustment Programmes (SAPs) are instituted with the goal of reducing the borrowing country's fiscal imbalances. The bank from which a borrowing country receives its loan depends upon the type of necessity. SAPs are supposed to allow the economies of the developing countries to become more market-oriented. This then forces them to concentrate more on trade and production so that they can boost their economies.

The Structural Adjustment Programmes in Kenya were felt in the areas of education and health.

The Impact of Structural Adjustment on Health in Kenya

It is reported that Structural Adjustment Programmes have had a negative impact on infant and child mortality. There is evidence that non-adjusting countries with low levels of debt in sub-Saharan Africa (SSA) have succeeded in accelerating the rate of improvement of their infant mortality rates during the 1980s; that the rate of progress in severely indebted, non-adjusting countries has remained broadly unchanged; and that progress in severely indebted, intensively-adjusting countries has slowed markedly. Some countries claim evidence of increases in infant and young child mortality in several SSA countries over the past few years.
In addition to the negative impact on women's health associated with the general decline in communicable disease control and health care provision, there is evidence that mobility and mortality associated with pregnancy has also been aggravated. In a number of countries the introduction of user charges for antenatal and maternity care has been associated with an increase in deliveries conducted at home, as well as those occurring in hospitals without previous antenatal care or assessment. The rising costs of transport together with lack of money on the part of poor women have been other contributory factors. Finally, there is evidence, mainly of a qualitative nature, that risk behaviour in relation to HIV transmission has been influenced by deteriorating economic circumstances which have forced an increasing number of women into commercial sex activity.

The UN Coordinating Committee's Sub-Committee on Nutrition has documented deteriorating standards in child nutritional status in sub-Saharan Africa between 1975 and 1990, while nutritional outcomes are as a result of a complexity of factors, including disease, diets, droughts and war. There is substantial evidence from a number of countries, particularly in SSA, that child nutritional status has deteriorated after the introduction of SAPs, including situations where mortality data has stagnated or even continued to increase.

The impact of World Bank policies on Kenyan politics has been to usher in political pluralism, greater democracy, accountability and respect for human rights, just to name a few. However, there are heightened ethnic tensions, polarized communities and increased violent ethnic and tribal clashes. All these have resulted into a fragmented society.

Poverty is a major concern in Kenya. The 1996 Policy Framework Paper estimates that at least ten million Kenyans are living below the poverty line and that despite the progress made in structural adjustment and economic stabilization programmes, poverty remains one of the greatest challenges in Kenya.

This is due to economic depreciation and developmental decline. There is even increased inflation, poverty, unemployment, underemployment, retrenchment and forced retirements. Although the government was committed to the reduction and eventual eradication of poverty in Kenya immediately after independence, this has not been realized. In my view, the major causes of increase in poverty include: poor planning and priority setting for the small and medium business enterprise for the youths; wasted manpower in the youth who may not get a chance to proceed with their education after Form Four; lack of clear-vision job planning; lack of incentives towards the value addition in agricultural products; poor perceptions in certain areas like environment; health care; quality artwork and packaging; quality construction; for job creation. One practical example is the fact that our countries are littered with solid wastes which could be well managed by employed youths. Such an engagement could easily create thousands of jobs in the country and, at the same time, encourage a health nation.
The Impact of Structural Adjustment on Education in Kenya

Higher education was considered very important at the start of Kenya's independence. The government spent public resources on education since it was viewed that in the long term the whole country would benefit. This was inspired by the belief that it would lead to:

(a) Generation of more wealth within the nation;
(b) More equitable distribution of resources and opportunities to access such wealth;
(c) Better socio-economic development;
(d) Increased political socialization and democratization.

The demand for university education increased. In 1963, there was only one University college (Nairobi) with 565 students. By 1973, the number of students had increased ten-fold (Republic of Kenya, 1988). By 1990/91, there were four public universities with 30,000 students; this increase in university intake adversely affected the financing of university education (Ministry of Education, 1988). The government's full responsibility in financing university education ended in 1974. A new policy of cost-sharing was implemented in 1974/75 academic year.

Financing of university education was to be shared between the students and the government, whereby each student was automatically entitled to a loan to meet their accommodation and catering services when they qualified to join university. The government paid tuition fees and released loans to the University Students' Accommodation Board (USAB) to meet the said costs of the services. Loans for book allowance or practical attachments were, however, paid directly to each student. This system of loaning ensured that the needs of students were taken care of adequately. But this form of lending did not last long. The Higher Education Loans Board (HELB) came into being in 1992.

From 1985, Kenya started implementing structural adjustment programmes (SAPs) as part of the reform initiatives driven by the World Bank and bilateral donors. This programme required, among other things, reforms in the education sector, especially the reduction of government subsidies to university education. Since public higher education previously benefited from the state's approach, any reforms towards privatization or liberalization of its provision was to shake the very foundations on which it had always stood. When cost-sharing was implemented, it sparked nationwide riots.

Students and their parents considered these changes quite drastic. Resistance from the students culminated in rioting and subsequent closing of all public universities during 1991/92. From the 1991/92 academic year, the government stopped paying tuition fees and loans were no longer automatically accessible to all university students. Only students who could prove that they were unable to raise full or part of the fees were awarded loans.
Also affected was the cafeteria system where students were to pay directly for their meals. This new system of meeting students’ personal catering needs became popularly known as ‘pay as you eat’ (PAYE). The students were further to pay for their accommodation and stationery needs. These were indeed drastic changes.

**Structural Assessment Programmes in Educational Institutions**

Structural Adjustment Programmes were linked to increasing rates of non-enrolment, grade repetition and dropout in educational institutions. Cost-sharing made the cost of education unaffordable to students from poor backgrounds. Those who failed to enrol due to lack of funds found it difficult to secure employment, and hence ended up as social misfits.

Students resorted to several ways of raising money. Cases of criminal activities such as stealing of university property or other students’ property became common. Students also became increasingly involved in Income Generating Activities (IGAs), which were time-consuming, immoral and anti-social.

The Higher Education Loans Board (HELB) has, however, assisted thousands of would-be dropouts. The money given out to students as a loan is not enough due to high demands. This has affected the quality of education because students have to find means and ways of fending for themselves. Some postpone the academic period, they forgo lectures, and engage themselves in chores which are not related to their education. Poor families cannot afford the cost of university education. In future, some more innovative ways shall be needed to supplement the good work that HELB is providing.

**World Bank Conditionalities**

Under the Structural Adjustment Programmes (SAPs) which were instituted by the World Bank, African universities were in dire need of assistance. The countries which embraced the notion of SAPs made sure that they implemented the conditionality to the letter. I am not a financial manager, but what I knew was that the World Bank demanded many developing countries to liberalize their economies and allow a free market economy where commodity trading was left to float. Imports and exports of goods were liberalized and all markets were open to all. The most affected commodities were manufactured goods and foods.

The case for universities was unique. When the Vice-Chancellors of public universities got news that the World Bank was ready to finance university programmes, a committee chaired by Prof. Shem Oyoo Wandiga, the then Deputy Vice-Chancellor of the University of Nairobi, was formed. All public universities had two representatives, including finance officers. I represented JKUAT with my Deputy Vice-Chancellor, finance.
We were told that the World Bank:

- Was ready to give a loan to Kenya government to finance its education programmes;
- Would lend the money on a long-term payment basis;
- Would invest heavily in IT and provide the latest equipment to enhance LAN (computers, etc.);
- Would assist in the refurbishing of all science laboratories and also provide modern equipment;
- Would support various training programmes up to MSc., MA, PhD levels at a University of one’s choice;
- Would facilitate and enhance staff exchange programmes and sabbaticals;
- Would facilitate country seminars and conferences on the latest technologies, especially in sciences;
- Would set aside reasonable funds for the purchase and importation of all types of vehicles to assist with the transportation problems that we frequently faced;
- Would frequently dispatch a number of experts to advise, inspect and commission the physical structure renovations as prescribed (travel costs to be borne by the recipient country);
- Was clear that every item ordered from outside the country, including vehicles, computers, would meet all specifications from the universities.

The committee chaired by Prof. Shem Wandiga was explicitly told that the available university grant was US$69 million. I remember this figure vividly as the five public universities started to divide the cash by five. In my mind, I knew I would get at least US$13 million to enable me cross over the university line. It was now a psychological game of the available money to be utilized. We never missed any meetings which were called to discuss the grant. The University Implementation Programme Committee, as the name suggests, was to just implement the requirements!

We opened an elaborate office with capable staff mainly from the University of Nairobi where the work station was located. We were given clear terms of reference and held in very high esteem by the external reviewers from overseas who had been contracted to oversee our planning processes. The consultants would send advance notices detailing arrival and departure dates, with an elaborate travel itinerary within Kenya as they visited the benefitting universities. The high-level consultants were selected by the World Bank from all over the world, mainly from universities. They were nominated according to their disciplines. I honestly thought that we had hit a jackpot.

The World Bank gave explicit conditionality on how to utilize the funds, which included:
- De-link university services from academic matters;
- Charge students on all items they received at cost, including food;
- Give students loans to be repaid;
- Liberalize education;
- Use university savings to service major building renovations;
- Put up adequate facilities like gas chambers, air conditioners, exhaust pipes in chemistry laboratories and paint halls;
- Provide trucking for connectivity in all buildings which are to receive computers;
- Where possible plaster, tarmac dusty areas for computer dust safety;
- Set up committees in relevant areas to address ‘corrective’ issues;
- Install grills in all buildings which would receive the World Bank equipment;
- Ensure adequate and safe parking garages for the World Bank vehicles;
- Give elaborate training programmes as necessary in World Bank-related concerns like laboratory equipment;
- Get several literatures on the needs and demands of the World Bank-borrowed money and its repayments;
- Select some senior officials to be trained in management and procurement procedures in other countries.

All the above sets of conditionality were to be met by individual universities at their own cost. It was not clear whether the loan would re-imburse the expenses. Every step we took, every renovation we made and every grill we put up was inspected and certified by a World Bank consultant. Perhaps the notion of thefts, car hijackings and other issues was a driving force for these inspections. They did not want any item bought under the UIP to chance. Safety was the prime mover of the programme. We all complied and effected modifications as demanded.

There is an analogy which my former Vice-Chancellor of the University of Nairobi, Prof. Phillip Mbithi, gave. He said in one of the briefs that World Bank would normally ask the recipient to do several things before they award or loan out any money. That it was like asking someone to remove all the clothes including the underwear, and then tell the same person to stand naked as you start supplying him with the needed clothes one by one since that person would have responded to your request.

You start with the underwear, vest, a trouser, a shirt, socks, shoes and maybe a tie. These items are given to this individual after meeting the laid-down conditions, one by one. I thought that was a classic analogy of a third-world borrower, who must fully comply with the lender’s demands before any assistance is given. Some of the demands created problems in the institutions. Structural adjustment programmes have their effects and I cannot delve into them. I will, however, give
the highlights of the consequences of the World Bank projects in our universities. We were given deadlines on what to do and the kind of announcements we made to the public and students. Some announcements caused havoc and all public universities went into an unprecedented strike. This was in 1992/93.

A good number of the conditionalities given to the public universities were not met. After several years of negotiations, we were able to get a few computers; defective buses and cars whose specifications were ignored and blatantly rejected; obsolete equipment like laboratory equipment were imported; and the whole procurement process was chaotic. Specifications for several buses, cars, pickups were not adhered to and those of us who returned them never got a replacement. We actually lost by refusing equipment which did not conform to the original approved and signed documents. These had been ignored. I am not sure what may have happened to the rest of the requirements.

One mammoth headache that all universities experienced was the occurrence of “the mothers of all strikes”. The UIP office was ordered to announce major financial implications in line with the World Bank aid. Prof. Shem Wandiga, the chair of UIP, issued a press release which in principle cancelled students’ allowances (the boom) and itemized cost-sharing measures.

The local dailies wrote a detailed analysis on what the government would undertake and students’ responsibilities. I remember the announcement was made on a Thursday morning. This was to be done before the 1996 budget deadline. Everybody hesitated to make the announcement but asked Prof. Shem Wandiga, who was the chair, to do it.

The strikes which followed across the country were gross and devastating. It all started from the mother University of Nairobi and word spread across the other universities like fire. It is not possible to enumerate the reactions from each Vice-Chancellor. It would take another whole book. All I can say here is that Moi University students burned vehicles and a student died. The university was closed for over six months. The University of Nairobi was shut down, followed by Kenyatta University. That marked the beginning of the longest closure of public universities.

I resisted the closure of JKUAT for two days and had a hard time to contain the students. We very much tried to advise them that it was a government decision not the individual university. I was marooned in the campus and my office for two days and two nights with no change of clothing, but supplied with food from the cafeteria. Other Vice-Chancellors were in University of Nairobi holding crisis meetings with Prof. Phillip Mbithi who was then leading the team during the announcement.

We were in touch with the Chancellor, President Daniel Arap Moi. He left the matter to be dealt between us and Ministries of Education and Treasury. The intention was not to close all public universities but have one or two to stay on course. This would not be! They kept on calling me not to close. Closure of all universities could create a defeatist impression.
I tried to do everything possible to persuade the students to continue with their studies. Early Monday morning, after all the ordeal, I called the academic board and ordered the closure of the campus. Luckily for me, not a single structure or car was damaged, except for the looting of groceries and cooked food.

Down all Kenyan universities went, and we had to face the reality of implementing the new order of academic dispensation as per the World Bank’s negotiations and recommendations. All systems were paralysed and Kenya went quiet on the academic front. We closed for half a year. This caused the state a colossal sum of money in terms of wages and related expenses, not mentioning the psychological agony of students and parents!

The closure of any university for any reason comes with unprecedented consequences. The process can result into loss of lives, destruction of both public and private property, wasted time and opportunities and numerous socio-economic implications. Everybody, both staff and students, gets disoriented. Timetables become chaotic and general planning of events is thrown into disarray. That is why Vice-Chancellors stay alert 24 hours, seven days a week to avoid such occurrences. It was not a position to envy and yet it had to be done by somebody.

Despite all these problems, I attempted to create strong academic linkages in all areas of study. The many bodies that I headed had direct benefits to JKUAT. I was known as a performer and my interaction with other people and bodies demonstrated the same. I always glorified my university and painted a good image of it to the public. I was able to secure scholarships for training and my graduates were easily absorbed into the job market because of our unique academic programmes. The World Bank assistance was well intended, but the consequences were so negative that they outweighed the inherent good.

Chairman of Universities Joint Admissions Board (JAB)

One of the most demanding responsibilities in academic circles revolves around students’ admissions to universities. Kenyan students who qualify to join universities exceed available infrastructure. Most of the students would wish to join the public universities because the government subsidizes costs.

It was only in 2012 that a Commission for University Education (CUE) was created to replace Commission for Higher Education (CHE). All individual University acts were repealed under the new higher education dispensation. The CUE now oversees all matters which affect higher education in both public and private universities. Admissions are centralized for all the Kenyan public universities. Before then, a powerful Joint Admissions Board (JAB) was totally responsible for the exercise. This was an agreement which was not formalized but served the purpose without the slightest condemnation.
The Vice-Chancellors of five public universities chaired JAB on a rotational basis. My university became fully-fledged and I then qualified to chair the meetings when my turn came. Besides admissions, a few other managerial matters were discussed. It was, however, clear that the boards’ role was admission of qualified students to all public universities.

We had a central processing office managed by competent workers who were responsible for documentation. I recall that during my time as chair, Prof. Tony Rodriguez and Mr Mungai Gachui were so thorough that the whole process of admitting student took half the time we normally used to complete the exercise. We had a responsible and competent team in the ICT offices.

My tenure as chair was smooth and I recall that only less than 10 per cent of qualified students were admitted to the five public universities. The Kenya School Certificate of Education (KSCE) normally presented a large number of qualified candidates. We had to trim them and pick only the top-crème. The cut-off points and spaces available in each university and programme determined the final entrants. A very large number of university admissible candidates were left out. They joined either private universities or other tertiary and middle-level colleges.

I must state that JAB was never manipulated or corrupted during its admission procedures. During my few years in the parastatal, I came to regard the board as one of the most transparent, competent, trusted and corruption-free body that ever existed without legal instruments. The rules and procedures of the game were so clear that the public knew who was admitted, where and when to report. Individual universities got a central admissions list for all the programmes and students’ names.

It was the board which determined the cut-off points for programmes and reduced one or two overall cut-off points for girls and students from the disadvantaged areas. This was seen as a positive move to uplift the girl child and students from disadvantaged areas. The public was made aware of these rules and regulations.

Although JAB was not officially registered, it was a recognized and an acceptable committee composed of the Vice-Chancellors, their deputies, deans and registrars who formed the bulk of individual university senates. The challenges of managing student admissions and undue pressures were not evidenced during my entire 13-year membership.

Undue influence by outsiders was not entertained. The chairman usually briefed the press on all matters to do with admission on behalf of the five public universities. This was done immediately after the admission meetings at a specified centre. All admitted students and the colleges to join were made public for scrutiny.

The only time the Head of State commented on admissions of students was when he hinted that we reconsider a second double intake in 1997. I was the chairman of JAB then and had to politely refuse the directive. The local media
picked up the story and accused me of disobeying my boss, the Chancellor of all public universities. The dailies were courting an imminent confrontation between us, but the then Head of State ignored the innuendos. The matter was not pursued any further.

Once students are admitted to their respective universities, it is usually the role of the Vice-Chancellor and his/her Senate to manage other logistics. They are allowed to transfer from one university to another depending on the capacity of the programme, or can also transfer from one faculty to another, again depending on the declared capacities. It is noteworthy that even a member of JAB would not be favoured to have his/her unqualified sibling admitted. I recall many staff members whose children missed by just a point and were advised to seek alternative places for admission. JAB was that strict and transparent. It lived to its obligations and commitments. Nobody wanted to be discussed in Parliament and our board was composed of eminent Kenyan scholars. JAB had the face of Kenya and integrity prevailed.

I must emphasize that the Head of State did not put undue influence on JAB to push for admission of any student who was not qualified. He respected the board’s decisions and had very high regard for scholars. This was a commendable characteristic Daniel Arap Moi as president and Chancellor of public universities. His ministers did not even attempt to make any such requests for unqualified students. JAB was sensitive to the gender disparity and students from some arid and semi-arid parts of Kenya. They were given special considerations. JAB was an institution in itself.

The replacement of JAB with the Central Admissions Board to include all public and private universities follows the basic admission procedures which were set up by JAB. Now all universities and colleges declare their programmes and student capacities before the first sitting. This is a demanding exercise as other programmes and capacities are not divulged. They are hidden under parallel degree programmes and they create anomalies which distort officially admitted numbers. The admission task is daunting now that Kenyans expect more equitable admission procedures, which include all on the basis of the enhanced numbers and equal opportunities for higher education.