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Makerere University's Revenues (1993 – 2004)

As every Vice Chancellor would tell you, one of the major challenges in managing a university is lack of money. The challenge is far more daunting in sub-Saharan Africa where money is a scarce commodity. In this part of the world where university education is free, the majority of public universities suffer from chronic under-funding. They literally run on shoe-string budgets because Governments are unable to adequately provide for them. This state of affairs has contributed significantly to the continued erosion of whatever quality most of these universities had in the past when money was relatively plentiful to pay good salaries, buy journals, stock libraries with new books and laboratories with equipment and chemicals. For many years during our turbulent history, Makerere University was just hanging by a thread. No doubt, my predecessors had a rough time, because running a complex institution like Makerere on pittance was such a herculean task. To keep the institution afloat, you had to master the art of budget juggling, spiced with a bit of financial wizardry. However, even with all the financial management skills you could marshal and the fact that everyone looked to you for solutions, the situation was close to mission impossible.

Ostensibly, in our part of the world, the ability to raise funds is the Vice Chancellor's most important responsibility. You could delegate most of the routine administrative chores to your deputies, but sourcing for funds to run the institution is an obligation you cannot delegate. You had to look for money to endow chairs, support research, infrastructure development and a lot more. In fact, it came as a surprise when on my many visits to the USA, I discovered that some universities there required their professors to contribute a significant portion of their salaries from research grants solicited outside the university. But there was an interesting contrast between Africa and North America. In North America, the spirit of giving is more or less an entrenched culture. Many universities there derive a lot of income from the generous donations of their alumni and other philanthropists. Even the tax system makes a provision for people to give. People and organisations get a tax-waiver for their philanthropic activities. In Africa by contrast, it is very hard for alumni to make huge contributions to their alma maters. From personal experience over the years, I have come to strongly believe that Africans are not generous institutional givers, because very few people receive big income surpluses. Moreover, relatively well-off people are overburdened with the unending demands the extended family system imposes on them. In Africa where social security hardly exists, well-to-do people act as society's social safety net. Our corporations too, do very little research and development, so they hardly invest in commissioned research which is one of the lucrative sources of income for universities in the more developed countries of Europe and North America. As those of us who have been in this game very well know, it is tough business to raise money. As a rookie Vice Chancellor in 1993, I soon discovered that at Makerere, institutional poverty was real and was certainly one of the biggest challenges I had to tackle very early in my administration.

As far as I could tell, Makerere's funding problems had been compounded by the fact that Uganda Government had abandoned central planning. Whereas throughout the 1960s and up to 1972, student admission was guided by the national development plans with periodic manpower surveys, from the 1980s, central planning which – according to some economists meant a planned economy – was no longer practised in Uganda. We were operating in a free market economy, thanks in part to the Reaganomics of the 1980s and beyond. The periodic manpower surveys provided a basis for projecting human resources development at the university. These projections determined the number of students the university could admit and the appropriate level of funding the Government could make available to the university in a given financial year through the University Grants Committee (UGC).

After manpower surveys were abandoned and the UGC scrapped, the Government funding of the university ceased to have correlation with student numbers. While the student enrolment was on the rise, funding was on the decline. This mismatch started to impact negatively the quality of education at the university. As a public university, it seemed the options to raise funds from other sources were limited. The institution was totally dependent on Government for both the recurrent and capital development budgets, and was consistently experiencing serious budget shortfalls. Due to the many competing demands on the national budget, Makerere University's total annual allocation from the Government Treasury had stagnated at fourty four per cent of its recurrent budget and five to ten per cent of its capital development budget. The situation was worse in the 1988/89 and 1989/90 financial years when the Government treasury could only meet thirty five per cent of the university's total recurrent budget. Worse still, it was not uncommon for the Government to fail to release all the money it had budgeted for the university. Moreover, most of the money for the recurrent budget – almost eighty per cent – went to personnel emoluments, students' welfare and utilities. The impact of this chronic under-funding on the university was visible everywhere. Under-funding had translated into low pay, poorly resourced laboratories and libraries, minimal research output, poorly fed students, dilapidated infrastructure, a demotivated staff and a lot more.

About this time and in spite of the concerted efforts of the previous Vice Chancellors, the university was just about surviving. As an old friend of mine who was visiting Makerere for the first time after almost twenty years abroad commented, "though the university had survived the worst storm, mere survival was not good enough". Something drastic had to be done to regain some of Makerere's lost fortunes and glory. In short, this state of affairs had a profound effect on the quality of teaching and the learning environment. Slowly, Makerere, once a renowned centre of learning in Africa, was falling from academic grace to academic gunk. Equally frustrating as it was for many A-Level certificate holders and their parents, every year the university could only admit a tiny fraction of the candidates who qualified to enter university, ostensibly on the excuse of limited facilities. Every year, the number of qualifying candidates was growing, but the intake had either stagnated or declined. Even for those lucky enough to gain admission to the university, the conditions they found were far from ideal. As one girl from Namagunga, one of the leading secondary schools for girls in Uganda once lamented, "I was disappointed. I had studied hard at school to come to Makerere, the university of my dreams, only to discover that even Namagunga was a far better place than this place called a university. Finding Makerere University in that state was an anti-climax for me. My dream was almost shattered". In many ways, she was right. Her observation was in many ways a true reflection of the conditions that prevailed at Makerere at the time. As we have seen, no doubt, this state of affairs prompted Professor Kajubi and his colleagues to start thinking of other options to raise more money.

When my administration took over in late 1993, we had to confront the same challenge that my predecessors had grappled with for years. The first shock was to discover that whereas in the financial year 1993/94, the university had submitted to Government a recurrent budget of 31.88 billion shillings, Government had approved only 10.71 billions, which was just about thirty two per cent of the university budgetary requirements for that year. I then realised we were up against a huge financial hurdle to keep the university afloat. As a new Vice Chancellor, there were still several sympathetic ears in the Ministry of Finance willing to listen to my pleas. In a small way, some of my talking yielded some results when in the 1994/95 financial year, Government raised the university allocation by twelve per cent. That year, out of the 32.94 billion shilling recurrent budget submitted, Government provided 17.66 billion shillings, representing fifty four per cent.

In 1995/96, the allocation was raised further to fifty seven per cent, but that was about the end of the honeymoon. In 1996/97, the Government subvention (as it was now called) went down again to fifty one per cent and continued on the downward spiral to thirty five per cent in the financial year 2003/04, my last year at Makerere. To complicate the difficult situation further, the Ministry of Finance introduced a new policy which stipulated that for every new financial year, budget ceilings would be set for every Government department, and no department was allowed to exceed them. The new policy did away with the old practice of presenting your budget to the Ministry of Finance, and then the Ministry inviting you to defend it. Under the new policy, the Ministry fixed the budgetary ceilings for the university in advance. There was no more room for negotiations. All expenditure had to fit within the ceiling. We had no way of knowing how the ceilings were arrived at, and the ceiling for the university was more or less the same every year. For example, between 1997/98 and 2003/04 financial years, the university's ceiling averaged twenty nine billion shillings per year or just about fourty nine per cent of the total university budget, which had risen from fourty seven to seventy eight billion shillings over the same period.

In spite of the pre-determined ceilings, the university was still required to submit its own budget to the Ministry of Finance and Parliament every year, which in effect was just an academic exercise. Since The Ministry of Finance also fixed the vote lines in the budget, our job had been reduced to just dispensing money. We thought we could work with the Ministry of Finance to arrive at a more realistic and rational formula. We had been arguing that it was more realistic to base funding on unit costs, which varied from course to course. One day, the Ministry of Finance instructed us to work out the unit cost for each course. With all the brains we could marshal, we went through a meticulous exercise of computing the unit cost for every programme. It was a truly tedious exercise, but when we finally submitted the figures, the Ministry of Finance expressed doubt about their accuracy. The officials thought our figures were unrealistically high, and therefore advised that an independent consultant should verify them. NORAD provided the consultant and to our surprise, the figures he computed – independently – more or less tallied with our own figures. Once again, we went back to the Ministry with the consultant's figures. After looking at them, the officials at the Ministry of Finance admitted that Government could not afford the cost. Once again, we were back to the old system of fixed ceilings.

For reasons best known to them, the Ministry of Finance officials started accusing the University of failing to declare all the earnings from the private students' scheme and other income-generating schemes we had initiated. I could understand their problems of raising sufficient revenue, but accusing us of something that was untrue was unfair. I was not aware of any income we had failed to declare. Frankly, I found these accusations rather infuriating. Interestingly, the Auditor General had a team of full-time staff in the Finance Department at Makerere, constantly monitoring all financial transactions and the university accounts on a daily basis. In all his audit reports, the Auditor General had never accused the University of failing to declare all its private income. Moreover, the Ministry of Finance had insisted on including the internally-generated income in university budget as Appropriation in Aid (AIA), and we were religiously doing it every year. I was therefore baffled at these persistent accusations. Was the Ministry of Finance using it as a tactic not to give more money to the university? I could not find the answer. Later, the talk shifted from undeclared private income to Government paying a higher unit cost for its students than the fee-paying private students. I then remembered that these were the same bureaucrats who in 1996 failed to honour the President's eighteen billion shilling pledge to the university to rehabilitate the entire physical plant, saying that the man was just politicking when he made the pledge. Frustrated with the Ministry of Finance, we had to learn to live with what had now become a permanent budget deficit.

Constantly being dogged by shortage of money to run an institution was not fun. As Ben Byambabazi, the University Bursar, used to say, "money was the lifeblood of the university", and yet it was always in short supply. In medical terms, you could say the university was chronically anaemic. Picking up from where my predecessor, Professor Senteza Kajubi had left, we decided to intensify the internal income-generating efforts. By far, the private students' scheme was the main source of unconditional revenue. Most grants came with conditionalities, so we could not use the grant money to supplement the regular university budget. Some have questioned the wisdom of introducing the private students' scheme and how it led to the decline in quality and academic standards at Makerere – once the Harvard of Africa. I have often wondered what kind of quality and academic standards we were talking about when students had to go without textbooks and libraries were stocked with old and outdated books; when staff and postgraduate students were having intermittent access to the latest journals which came in the expensive hard copy editions only; when laboratories had obsolete and dysfunctional equipment, with insufficient chemicals and other vital supplies; and when professors had to drive taxis between lectures to make ends meet. No doubt, those of us who had to teach in those conditions did more than our level best to produce credible graduates the hard way. We had to combine our responsibility to our students with our personal survival. As Dr Mukwanason used to say, "it was preferable to begin at the end and slowly come back to the beginning", meaning that it was better to start with the students and, as revenue came in, then work on the facilities. Short of that, you would continue to live under the illusion that by keeping the numbers small, but without the critical inputs, you were providing quality university education. For better or for worse, we chose the former. The following is the story of income generation at Makerere during my time, which David Court in one of his publications dubbed the "Silent Revolution".

Income generation started in earnest in the 1992/93 academic year, with the admission of a few private students in some faculties such as the Social Sciences and with the introduction of the evening classes at the Faculty of Law, which later spread to other faculties, schools and institutes. The evening classes gained momentum in the 1995/96 academic year, when the income generated reached the four billion shilling mark, at the time equivalent to about two million US dollars. By 2000/001, the internally-generated revenue had risen to seventeen billion shillings, or about 9.5 million US dollars. This was about seventy four per cent of the Government recurrent budget of twenty three billion shillings that year. Combining the internally-generated revenue and the Government subvention, the budget deficit was reduced from sixty two per cent to thirty four per cent. By 2002/003, the revenue collection had reached an all-time high of twenty nine billion shillings, or sixteen million US dollars. For the first time, the internally-generated income had exceeded the Government subvention by about two billion shillings. As part of the 2002/003 annual report, the Department of Planning and Development produced a pie chart, showing the contribution of each revenue source to the university. The chart revealed an interesting pattern. In that financial year, the Government subvention constituted only thirty seven per cent of the university's revenue. The internally-generated income contributed thirty nine per cent and the income from other sources- mainly donor grants, contributed twenty four per cent. Gone are the days when the Government funded the university almost 100 per cent. Additionally, the combined revenue reduced the overall recurrent budget deficit to twenty seven per cent. Although we had not yet achieved a balance budget; at seventy three per cent of the budget estimates the university had submitted to Government that year, we were slowly getting there. The additional income came from the commercial units, namely the bakery, the guest house, the maize mill and the University Printing Press which, in 2002/003, generated one and a half billion shillings in sales and a sixteen per cent net profit of 245 million shillings.

However, the revenue from the commercial units was not ploughed into the university regular budget; the units kept the profits for business growth. As is the practice in the corporate world, the commercial units also used to declare a dividend to the University Council. With the additional revenue, the stage was set to confront the challenges which had dogged the university for so long, head-on.

Internally-generated Revenue: A Critical Supplementary Income

In 1996, after four years of income-generation experience, we decided to streamline the contribution of the internally-generated revenue to the university budget by apportioning it into various votes, taking into account the fact that the academic units generated the bulk of this revenue and therefore deserved the largest share of the money. So, when the University Council approved the policy on revenue distribution, it was conscious of this fact and decided – on the basis of a recommendation Senate had submitted in late 1995 – that the faculties, schools and institutes would retain sixty five per cent of the revenue; while twenty per cent was allocated to a central pool to support University Administration. The University Council also decided to create the central pool to cater for the deanship and headship allowance in faculties which had low capacity to generate revenue. These were mainly the science-based faculties, where limited and ageing facilities could not allow admission of too many additional students. It also catered for allowances for staff in the Central Administration as well as topped-up house rent for staff who were accommodated in the National Housing Corporation flats in Wandegeya and elsewhere. Later, it was also used to supplement the Government subvention; to fund the activities not adequately covered by the Government funds, which included the annual teaching practice in the School of Education, academic fieldwork and industrial training, supervision allowances, external examiners' honoraria, part-time teaching, utilities and provision of drugs in the University Hospital – the list just kept growing.

In 2003, the central pool account was reduced to six per cent to cover some of the new initiatives, such as the in-house retirement scheme, the wage bill, maintenance of the university physical plant and infrastructure and staff development. The Library was originally allocated ten per cent of the internally-generated revenue but, due to the new demands, this also continued to suffer cuts. It was the responsibility of the University Bursar to collect, receipt and disburse the money from this source of income. At that time, the revenue was still small, so we decided not to make too many demands on it. The percentages were later revised to cater for the staff development by re-allocating five per cent from the Library to the Fund.

Partly as a result of the MUASA strike of 1996, for better salaries which Government had failed to pay, the University Council decided to revisit the distribution of the internally-generated income. It had become apparent that as the perceived employer of all university staff, at least on paper, there was no way the University Council could avoid being involved in finding ways and means to ameliorate the poor staff salaries and wages. That same year, the University Council approved new income distribution ratios. From the day programmes, each income generating faculty, school and institute retained fifty one per cent, down from sixty five per cent; eighteen per cent went to topping up salaries and wages; four per cent was set aside as Maintenance Fund, which was a new idea; eight per cent percent went to support the new In-house Retirement Benefits Scheme; ten per cent went to the Central Pool, down from twenty five per cent; five per cent was allocated to the new Staff Development Fund, down from ten per cent; three per cent was set aside for the Library services, and one per cent was contribution to the new Research Fund.

From the evening programmes, which were not supported by the Government subvention and were therefore, entirely self-financing, the faculties, schools and institutes were allowed to retain fifty nine per cent of their income, while eighteen per cent went to the University Wage Bill; six per cent to the Retirement Scheme; four per cent to Maintenance; and three per cent to Staff Development. The central pool was allocated six per cent; the Library three per cent and Research one per cent. From the postgraduate programmes, which had few students, Council decided that the faculties, schools and institutes should retain seventy five per cent of their income. From this source, only nine per cent of the income went towards topping up the Wage Bill and only one per cent was reserved for Staff Development. On the other hand, twenty per cent of the income generated in the halls of residence, mainly from the accommodation fees, went to support the halls, including improvements in the diet. The rest of the income went to sporting activities, the University Hospital, the Dean of Students Office; Students' Senior Common Rooms in the Halls of Residence and other things related to students' welfare. It did not matter the source of income, the Wage Bill top-up, Library services, the central pool account, the Staff Development Fund, the Maintenance Fund, Research Fund and the in-house Retirement Benefits Scheme took a share of that income.

The Academic Registrar's department was another strong income-generating centre and, besides the cross-cutting items just listed above, most of the income from this source went to support external examiners (eigh per cent), fieldwork (thirteen per cent) and the Students Guild (four per cent). The University Hospital, utilities and students' sports programmes also benefited directly from this source of income.

No doubt, the internally-generated income went a long way to sustain the struggling university, including the provision of new facilities like the new Faculty of Law building; the HURIPEC house; the Social Sciences building and the Senate House, as well as renovation of the old ones; purchase of computers and accessories for computer laboratories in faculties which otherwise would never have had them; vehicles, such as buses and tractors for the Faculties of Agriculture, Arts and Veterinary Medicine and the Dean of Students' Office; textbooks for the book banks; Internet and e-mail services through MakNet and other Internet service providers; improvements in the students welfare, including the provision of decent meals, and a myriad of other things I have alluded to throughout this account. Below, I want to give the reader an insight into how the private revenue brought about some real fundamental and positive changes at Makerere for the first time in its history, and some illustration of the critical role the private income played, and will perhaps continue to play, in Makerere's future development. The innovations and new initiatives I refer to in the paragraphs below would not have been possible without the university's private income and the freedom to use it as the University Council saw fit for the benefit of all. I was thankful to the

Minister of Finance, who in his wisdom decided to give the university a waiver not to remit its private income to the Government's Consolidated Fund. I am inclined to believe that with these examples, I may be able to start answering the nagging question: Did Makerere University really lose out on the quality of its academic reputation when it introduced the private students' scheme as some critics repeatedly say? Whenever I am confronted with this question, I am always reminded of the old adage of the chicken and the egg; which came first?

The Parallel Establishment

As the student enrolments grew, it became apparent that the University Establishment was too small to cater for the large numbers. However, given the very limited Government subvention grant, the university would not be able to expand the establishment by creating new academic posts without stretching the budget beyond limits. In other words, the regular University Establishment was not infinitely elastic. We had to work within the boundaries of what Government could afford. Secondly, staff in posts were either agitating for better pay or forced to leave the university in search of better paying jobs elsewhere. Since most faculties with large student numbers were also generating some good revenue, we thought it was possible for them to recruit staff and pay them from their internally-generated income. Although the university organs like the Appointments Board would still have a say in the appointment of such staff, their appointment would be outside the normal University Establishment. They would be recruited as either full-time or part-time staff. Staff in this category would constitute what we preferred to call the parallel establishment. I believe this is what some universities prefer to call the adjunct faculty. In a way, it was a revolutionary answer to the old-time problem of too many students, with its negative impact on quality. Even before we had formalised the parallel establishment, many Faculties were already employing part-time staff and paying them out of their internally-generated income. The Faculty of Arts led the way. Although the Government subvention had a vote for part-time teaching, it was too small to allow for the recruitment of the kind of staff and the numbers we wanted. Secondly, the Government hourly rate was too low to attract the good people from town, many of them former members of staff, as part-time lecturers.

As Vice Chancellor, one of my preoccupations was to issue letters of appointment to part-time and honorary staff. I was glad I had an efficient Personal Assistant, Mrs Euphemia Kalema-Kiwuwa. She always made sure that the applicants for part-time appointment were properly and adequately vetted and the letters of appointment or renewal of expired contracts prepared, ready for my signature. We wrote hundreds of them. I was convinced that this was one of the best ways of improving the staff/student ratios. I also saw it as a means of infusing real life experience into the curriculum, which the part-time staff were bringing into the lecture rooms.

In fact, the Faculty of Arts made very good use of part-time lecturers on its new programmes like Urban Planning and Tourism, while many clinical departments at Mulago relied heavily on honorary staff of the Ministry of Health. The difference was that whereas part-time lecturers drew their salary from the university, honorary lecturers did not. In many departments, at Mulago in particular, the adjunct staff outnumbered the university's full-time staff. The parallel establishment formalisation process required legitimization from the University Council with defined terms and conditions of service under which staff falling in that category would be employed, and the benefits they would enjoy as university employees. It was an attractive innovation which needed to be thought through carefully, particularly its legal implications on the university as a Government institution. As was always the case, the University Council set up an ad hoc committee to study the proposals and make recommendations. Unfortunately for me, the committee took too long to submit its report and I had to leave it to my successor to take it to its logical conclusion. Meanwhile, faculties, schools and institutes continued to hire staff informally and pay them from their income. Due to the growing thefts of vital items like computers, some faculties were even hiring extra security personnel, at their own expense, to guard their premises.

The Wage Bill Top-up and the In-house Retirement Benefits Scheme

The internally-generated revenue gave us a big shot in the arm. For the first time in living memory, we could top up staff salaries and wages across board from our own income. As we have noted above, eighteen per cent of the gross internally-generated income was allocated to the University Wage Bill. For example, for the first time in 1996, a full Professor at Makerere was earning a gross monthly salary equivalent to US$1,000. Not a significant amount, one might be tempted to say; nevertheless, it was a significant milestone for the university at the time. I was told that at the time, Makerere professors were the highest paid in East Africa. By 2004, the contribution from this source of income to the wage bill had risen to twenty two per cent. That same year, the university's contribution to the salaries and wages exceeded the Government portion. Secondly, Makerere University had neither a meaningful retirement nor a pension scheme. For a long time, Makerere University staff had two contributory retirement schemes, neither of which was a pension scheme. One scheme, favoured by the academic and senior administrative staff, was called the Retirement Benefit Scheme (RBS), administered by the National Insurance Corporation (NIC). The other was the Social Security Fund (SSF), administered by the National Social Security Fund (NSSF) and favoured by the support staff on the advice of their Union. Both were contributory schemes to which both the university as an employer and staff as the employees made a monthly contribution. Unfortunately, the retirement package from either scheme was almost peanuts. Inflation and the currency reform of 1987 had eroded whatever value the pensions had. In both cases, it was a one-off payment, essentially a gratuity. After the retiring staff was paid the little package, that was the end of it. After that, there was no pension to fall back on, and you were on your own. To make matters worse, retired employees had to wait a long time before being paid the meagre package, which at times created unnecessary friction between staff and University Administration. As Vice Chancellor, I used to feel terribly embarrassed whenever I had to bid farewell to a retiring colleague after many years of dedicated and loyal service to the university. It was always a moment I found most unpleasant. Members of staff had been demanding a meaningful retirement scheme for years without a breakthrough. Due to mounting pressure, the University Council had come up with what it called an Interim Scheme, which was later dubbed "The John Katuramu Scheme", so called because John Katuramu, who was Deputy University Secretary for Administration, was responsible for managing it. Like the NIC, RBS and the SSF, the interim award was also another form of gratuity. However, it failed because Government was under-funding it. As the Ministry of Finance adopted more and more austerity measures, the scheme was one of causalities of the budget cuts.

Pensions and other retirement benefits were part of the items high up the priority list of my administration. It was an issue we had to address squarely. Besides trying to make life after Makerere more habitable, we also wanted staff to look forward to their retirement with dignity and have more confidence in the university as a caring employer. Again for the first time, we put in place a no-contributory retirement scheme we called the In-house Retirement Benefit Scheme (IHRBS). On our recommendation, the University Council under Dr David Matovu decided to set aside ten per cent of the gross internally-generated income for the scheme. It was financed entirely from the university's revenue. The IHRBS consisted of two parts: gratuity and a pension. Professor Livingstone Luboobi chaired the Senate Ad Hoc Committee which worked out the details and the formula that made it easy to calculate both the gratuity and the pension components of the scheme.

Luboobi's committee made an extensive study of the retirement schemes in other institutions, including the Government's own scheme administered by the Ministry of Public Service. It was ironical that whereas retired Government civil servants earned a pension until death, Makerere University staff had been left out of the Government scheme. It was a rude reminder that autonomy had serious drawbacks, and this was one of them. In our IHRBS, gratuity was a one-off payment, while the pension was a monthly payment which retired members of staff continued to enjoy; up to fifteeny years into their retirement for those retiring at the mandatory age of sixty, and for ten years for those retiring between the ages of fifty five and sixty. We had wanted to make it a life-pension, but Luboobi's calculations had shown that if it was stretched beyond fifteeny years, the scheme would not be sustainable. Also to make it manageable, the benefits were calculated on the basic salary and not on the gross salary, as the latter included variable allowances which were subject to change from time to time.

The size of the package depended on one's salary scale at the time of retirement and one's number of years of service to the university. The length of service did not have to be continuous, because the scheme took into account all the years a member of staff had served before and after the break. The new scheme created a lot of excitement. Some members of staff called it the kind of breakthrough staff had been looking forward to for years. As Vice Chancellor, I had reason to be happy and proud too. Now, I could send off people into their retirement with a reasonable farewell package.

When we inaugurated the scheme, I invited the retiring members of staff to a farewell tea party in the Senior Common Room and presented each of them with an envelope containing the gratuity cheque. Some gratuity cheques were quite heavy, in excess of fourty million shillings, the equivalent of 22,000 US dollars. In dollar terms, it was not much, but it was a significant improvement on the previous schemes. As far I could remember, no retiring member of staff had ever received such an amount of money from the university as gratuity and on top still expected a monthly cheque. It was one way we used the income from the private students' scheme to boost staff morale. Every employee of the university, from cleaners to the Vice Chancellor, was a beneficiary.

The Staff Development Fund and the Mujaju Report

Makerere's enduring survival depended largely on its Staff Development Scheme, formally initiated in 1972. It was originally intended to expedite the Africanisation programme, but took on a new dimension in the aftermath of the expulsion of the expatriate and Asian staff in 1972. It was managed by the Staff Development Committee, one of the standing committees of Senate, with the Vice Chancellor as its chair. For many years, the scheme relied almost entirely on external scholarships from three major benefactors: the Commonwealth Scholarship Commission, the German Academic Exchange Service or DAAD and the Fulbright Trust. Occasionally, there were scholarships from other sources, but those were not so regular. The number of scholarships available each year was also very limited and some were tagged to specific disciplines; so, many staff development fellows took their advanced degrees at Makerere, but at the risk of excessive inbreeding. That avenue was also limited as many departments had no capacity to run and supervise higher degrees to the level of a PhD at the time. As the external scholarships became fewer, many members of staff had stagnated at a Masters degree level, with almost no prospects of ever moving on to the PhD. That worked well in the olden days, but a Masters degree alone was not good enough anymore for one to be hired as a lecturer at Makerere. The university had set itself a goal to raise the quality of its academic staff through training and re-training.

The famous Mujaju Committee was set up in November 1998 to recommend to Senate, and eventually to the University Council, how best that goal could be achieved. Late Professor Akiki Mujaju was a thorough man. He also had good people on his committee. Unfortunately, that was the last Senate committee he chaired and although he is long departed, his report – dubbed "The Mujaju Report" – still commands attention at Makerere.

To ensure that the Staff Development Fund would achieve the objective for which it was set up and to eliminate waste of scarce resources, and partly on the request of the Appointments Board, Professor Mujaju's committee was required to make recommendations on a range of policy proposals. One recommendation covered staff who registered for academic programmes and failed to complete them for all sorts of reasons, excluding academic incompetence. The second recommendation covered staff who registered for academic programmes and failed to progress or to complete them on grounds of poor performance or academic incompetence. Thirdly, the committee had to propose the minimum qualification for appointment as lecturer and the criteria for assessing Masters and PhD degrees for purposes of appointment, promotion, confirmation in service and creation of new academic posts at training grade. The committee's recommendations were far-reaching. I believe Mujaju's report became famous, because his Committee was bold enough to make such far-reaching recommendations. Both Senate and the University Council accepted most of the committee's recommendations which became university policies. Part of this policy had a direct impact on the Staff Development Fund. Other recommendations had an indirect impact.

Mujaju's committee recommended that an academic member of staff who failed to complete an academic programme without a satisfactory reason was deemed incapable of providing effective academic leadership and would be advised to leave the service of the university. This recommendation applied equally to the non-academic members of staff as well. Secondly, an academic member of staff who registered for an academic programme and performed poorly was also deemed incapable of providing effective academic leadership and had to leave the university. However, the committee was more lenient with the non-teaching staff who performed poorly. The university could retain them, but their poor performance had to be noted. On the minimum qualification for appointment as lecturer, the committee set the PhD or its equivalent, obtained from a recognised university, as the minimum qualification. For appointment to the new post of Assistant Lecturer, which was one of the university's staff training grades, the applicant was required have a Masters degree and a Bachelors degree of at least second class upper-division standing, or an equivalent classification. But priority was to be given to candidates with first class honours or *summa cum laude* in the North American system.

The Assistant Lecturer post was terminal, based on a three-year contract and renewable only once. Renewal was dependent on evidence of satisfactory progress towards a PhD. Promotion to the post of Senior Lecturer required a PhD or its equivalent and a minimum of three publications in recognised and referred journals. For the Associate Professor rank, again the PhD or equivalent was the minimum academic qualification, but the candidate was required to have a good academic track record of eight years' teaching and research experience and at least six recognised publications, published after the last promotion. For the top rank of Professor, a PhD or an equivalent doctoral degree was required in addition to at least eight recognised publications written since the last promotion and good academic track record of teaching, research and academic leadership. In all instances, publications submitted for promotion had to be in reputable journals and had to be vetted internally for the Senior Lecturer post, and externally for the rest of the posts. This was to re-emphasise what was already in practice. What was new was the vetting requirement for the Senior Lecturer position. The committee further recommended that any member of staff who did not have a PhD or its equivalent, could not be promoted beyond Senior Lecturer. This recommendation sent a shiver down the spine of most members of staff who had long given up on the PhD. No PhD, no Professor at Makerere!

Mujaju's committee also upheld the proposal we had already made that promotion of academic members of staff should not be strictly tied to available established posts. Rather, the main consideration should be on a member of staff being able to demonstrate that he or she had fulfilled the requirements for promotion to the next rank. In the past, many members of staff who merited promotion were kept marking time because there were no vacancies in the posts they were aspiring to be promoted to. This was certainly a big disincentive to the serious and hardworking members of staff. Out of frustration, some had left the university and I have reason to believe that one prominent academic staff in the Department of Political Science and Public administration was one of those who, because of the old University policy of promoting against a vacancy, felt frustrated and resigned. According to what I heard from the then Dean of Social Sciences, there was one vacant position of Professor in the department and two candidates had applied for it. The choice was between this particular popular individual and the lesser-known candidate. Apparently, the lesser-known candidate had an edge and was promoted. So, the well-known one threw in the towel and left the university.

Secondly, many members of staff were writing books or contributing chapters and articles in books, and were submitting them for the purpose of promotion. Mujaju's committee recommended that Senate should devise a mechanism to distinguish between the different types of books and articles members of staff were publishing. In the opinion of the committee, a good book was judged as equivalent to three papers in a reputable journal. The committee also was tasked to address the issue of Teaching Assistants, which the University Council had approved as a temporary arrangement some years back but had never formalised as a post in the University Establishment. It was a carry-over from the time of acute staff shortages. Council had created it to alleviate staff shortages most departments were experiencing at the time. Nearly every department had Teaching Assistants, but their future as employees of the university was uncertain. Mujaju's committee recommended institutionalising this post as one of the training grades for the young fresh and brilliant graduates. It recommended a first class or at least a good second class upper division honours Bachelors degree as the minimum requirement to make one eligible for appointment. Before that, even candidates with lower degrees were being recommended for appointment. Also, like the Assistant Lecturer grade, teaching assistantship was a three-year contractual appointment, renewable once. At the end of six years, the incumbent was expected to have earned a Masters degree to be able to move on to the next level.

On confirmation into the university's service, the committee's proposal was that members of staff who did not possess a PhD degree or its equivalent be encouraged to register for and obtain one. The committee made an observation that several members of the academic staff had been in the university's service for a long time and seemed to be content with their academic status quo, and so were reluctant to register for the PhD and other advanced degrees. The committee also noted that some members of staff feared that they might fail or perform poorly. As a shake-up, it therefore recommended that members of staff who hitherto had only a Masters degree and had not yet been confirmed in the university's service could only be confirmed if they showed evidence that they had registered or were about to register for the PhD. For those already confirmed, Senate on the advice of the Faculty Boards and Staff Development Committee, had to prescribe and recommend to the University Council the minimum period within which they were expected to have obtained a PhD or its equivalent, after the new policy requiring every academic member of staff to have it came into effect. If one failed to get it within the prescribed time, the University Council could apply the appropriate sanctions. Although both Senate and Council settled for three years as the maximum grace period, it was one of the most difficult policies to enforce. It also meant re-writing the letters of appointment to staff who were already in permanent employment with the university. Many members of staff believed they were too old to register for the PhD, others just ignored the policy.

On grading the advanced degrees for the purpose of appointment and promotion, Mujaju's committee noted that there were several versions of the Masters degree. In some universities, the Masters degree was awarded on the basis of course work and a written examination only. This was usually a one-year programme. Another version of the same degree was based on course work and dissertation. Yet, another version was based on research alone and awarded on the basis of a thesis. As we had observed, this was the practice at Makerere until a few years ago. Some universities, particularly in the USA, awarded what they called terminal Masters degrees. The committee had difficulties prescribing a solution to the confusion among the various types of the same degree. As a way out of the confusion, it recommended grading all Masters degrees, adding that a Masters degree by course work and dissertation should be rated higher than one based on course work only or thesis alone or a terminal one. The committee wanted the same rating to apply to the PhD as well. Since most members had obtained their PhDs from American universities, one could understand why the committee was inclined to have the PhDs also rated the same way.

The American PhD is based on a prescribed set of courses and a comprehensive examination, which every doctoral candidate has to pass before proceeding to the thesis. The argument the committee advanced in favour of part-taught and part-research advanced degrees over those based purely on research was the exploding nature of knowledge. It was argued that advanced degrees based on course work and thesis produced academic staff with a broad knowledge base which was considered useful for teaching in the postgraduate programmes. In August1999, the University Council adopted the committee's report with minor amendments, and it became university policy. Mujaju's committee helped to put into proper perspective and re-emphasise the things which were already in practice, like the supernumerary posts that were already in the University Establishment. It was a powerful report, and its implementation was a challenge.

It was one thing to demand that all members of staff at Lecturer rank and above should have a PhD by a certain date. It was another thing finding suitable universities for them to register and study for it. Moreover, most of the affected members of staff who did not have it were well above the age limits for the scholarships most external organisations like DAAD were giving to the university. Therefore, externally-funded scholarships for this category of staff were very few. At the same time, there was a real risk that members of staff who were willing to study for it could fail to raise fees and related expenses, and would lose morale, putting Mujaju's report in jeopardy. There had to be an alternative to total reliance on externally-funded scholarships for the university's staff development programme. The Staff Development Fund (SDF) was the answer. The SDF was meant to finance a comprehensive in-house scholarship and fellowship scheme, with its income drawn from a variety of sources. However, Senate decided that the bulk of the money should come from the university's internally-generated revenue. Senate had long realised that the only way the university could achieve its mandate of knowledge generation, transmission and preservation was through high quality research and teaching. This required mobilisation of a critical mass of high quality and committed academic and professional staff. A staff development programme supported with the university's own resources was the way forward. Therefore, the SDF was set up to serve that specific objective of raising the quality, competence and skills of the university staff. We knew that academic and professional staff of that calibre did not come out of the blue. They had to be consciously nurtured through systematic and targeted training. However, that kind of nurturing did not come cheap. It required a lot of money which, for many years, the university did not have. Now was the time to do something about our own situation. But before we could figure out how we would raise the money from the various rather overstretched revenue generating units, we had to formulate a proper staff training policy. Up to then, the university did not have one. The policy was necessary to guide a systematic and transparent operationalisation of the SDF. We went through the processes and, before long, the university had one.

A key clause in the new staff training policy stipulated that since the SDF was established with the aim of training and developing the skills and competences of all members of the university staff, the allocation of funds had to be based on properly identified capacity building needs. These needs had to be identified through merit and priority lists submitted to the Staff Development Committee by the faculty, school, institute or department. Secondly, priority had to be given to PhD training which Senate expected to be a continuous process in order to maintain and sustain a critical mass of well qualified academics who in turn would provide research leadership and be able to teach at all levels. Hence, a proportionately large percentage of the SDF was devoted to this priority need. Due to insufficient funds, members of staff who preferred to take their PhDs at Makerere were given an edge over those who registered for it outside. Second preference was given to students admitted for their PhD training at universities within Africa. Only members of staff who had registered for the PhD in fields and disciplines for which Makerere University had no capacity to supervise could be funded to undertake their training abroad. The choices were based purely on economic reasons. In order to further cut down on costs, the policy encouraged members of staff wishing to study for a Masters degree to do so at Makerere or at one of the recognised local universities. Training at Makerere at this level was a way of recycling scarce resources internally. The policy also discouraged sponsoring members of staff for more than one Masters degree, which had become fashionable at the time, instead of staff going on to the PhD. Under the new dispensation, those who had one and still wished to study for another had to do so at their own expense or look for other sponsors.

Besides the advanced degrees, the staff training policy made a provision for diploma, certificate and short courses. Such courses had to be tailor-made to update the skills and knowledge of staff to meet the university's changing demands and responsibilities, and to prepare them for promotion as well as enhance their job performance and satisfaction. The target groups for this type of training were mainly administrative and junior support staff. The training could be organised at Makerere or at some other suitable institutions within and outside Uganda. The policy also catered for seminars, workshops, conferences and subject meetings organised mainly within Uganda and East Africa, but also abroad if a case could be made. The aim was to give opportunity to university's staff to have some international exposure, and to showcase to the rest of the world Makerere's efforts in research and other areas of scholarship. The long abandoned inaugural lectures, which were supposed to be delivered by newly-appointed professors soon after promotion, and the regular public lectures for which the university had become famous, had also to be supported; if nothing else, to project the intellectual status of the university.

The idea behind encouraging professors to present their research to the wider public was to ensure that Makerere professors kept abreast of the recent developments in their disciplines. The argument to include this aspect in the staff training policy, which appeared to be misplaced, was that the university had to be seen as fertile ground for intellectual discourse where national and international issues were freely debated. Some money was voted for the publication of the inaugural and good public lectures delivered every year.

As part of international exposure, members of staff were encouraged to take sponsored sabbatical leave at institutions abroad which had better facilities than Makerere. This was to help members of staff familiarise themselves with the latest advances in their disciplines, particularly in the rapidly evolving science and technology disciplines. At the end of the one-year leave, staff had to present a report to the Vice Chancellor on their experiences and infuse into their teaching and research the new ideas they had picked up. In fact, several members of staff took advantage of this opportunity but, at the time, my gut feeling was that a good many of them were using their sabbatical leave to do other things unrelated to their academic fields. My suspicion arose out of the fact that very few members of staff whom I granted leave ever filed reports to me, in spite of my reminders. The objectives of this rather ambitious staff training policy was to identify and assess the professional and technical needs of individual members of staff in relation to the needs of the university. With the staff training policy in place, we could operationalise the SDF and properly align it to the objectives set forth in the policy. Hence, the SDF was set up specifically to assist the university improve and strengthen staff training and development for academic and administrative leadership; promote sponsorship to internal, regional and international conferences from the university's internal resources; and provide for deliberate internal measures to maintain an effective balance between the arts and social sciences, on one hand, and the pure and applied sciences on the other, which some people thought had gone on for far too long. As the argument went, this imbalance deprived the arts and social sciences of badly needed staff, because they could not be trained in large enough numbers, since most external sponsors favoured the sciences.

A lot of ground work went into developing the guidelines that would make the SDF self- sustaining, transparent and conform to the university's staff training policy. Much as the bulk of the funds would come from the internally-generated revenue, we had to pin-point exactly where the money would come from. The university's internally-generated income was not freely available money, so we had to exercise some caution, to avoid overloading this relatively small income with too many new demands. However, the large number of unfilled vacancies in the various departments in the senior positions of Professor, Associate Professor and Senior Lecturer in particular, coupled with the fact that the university had to implement the recommendations of the Mujaju Report, made staff development more urgent.

From Senate's standpoint, everything had to be done to recruit and train more staff. Hence, enhanced staff development had become critical. It was a responsibility the university could not run away from any longer. After due consultations, Senate proposed what we believed was a fair formula of sharing the cost of financing the SDF from the university's internal sources. In principle, the burden would have to be shared by all potential beneficiaries.

As a starting point, in November 1995, the University Council approved the proposal to set aside ten per cent of the income from students' fees for staff development. This would now be converted into a Staff Development Fund. Additional income was expected to come from the Government recurrent budget, Government ministries and departments, as well as the university's development partners, namely DAAD, the Commonwealth Scholarship and Fellowship Commission of the United Kingdom and Canada, Fulbright, Sida/SAREC and NUFU among others. Both Senate and Council felt strongly that since staff training was for the benefit of all students, the burden should not be borne by the fee paying students alone; so, the students on Government sponsorship also had to contribute to the Fund. Therefore, the University Council decided that, with effect from the 1996/97 academic year, all students would be required to pay Uganda shillings 50,000/– each per year towards the Staff Development Fund. As was expected, students protested, but the University Council stood its ground and in time every student was paying the SDF fee until the President abolished it in 2001 for the Government sponsored students as part of his re-election manifesto. Also, a number of university departments had been forging collaborative linkages with institutions abroad, which also constituted an additional and significant contribution to the University Staff Development Programme. Having realised their usefulness, collaborative linkages had to be encouraged and nurtured alongside other staff development initiatives. For the first time, we were able to sponsor both academic and administrative staff for PhD training and for other qualifications and short courses, using our own funds instead of depending entirely on donors. That was history in the making.

The staff training policy, together with the new in-house SDF, enabled us to overcome one major problem – the age limitation which most donor-funded scholarships used to impose on our staff. For most externally funded scholarships, thirty five years was the age limit, but the new policy and the homegrown SDF did away with this limitation; as all members of staff, regardless of age, were eligible for support from the SDF. As long as one was able and still useful to the university, and fulfilled the Staff Development Committee's requirements, one would be sponsored. However, to ensure that the Fund would have enough money to support all deserving cases, the Staff Development Committee of which I was chair, encouraged staff to seek additional funding from other sources where this was possible. In fact, members of staff who on their own made effort to look for additional funding from other sources to support their approved academic programmes, only required supplementary funding for transport, accommodation or stationery, among other needs. These were given priority by the SDF sponsorship.

When the SDF was set up, Senate and the University Council apportioned the funds in the following percentage ratios; fifty five per cent went to academic staff development programmes with emphasis on PhD training; twenty five per cent was devoted to Diploma programmes and short courses; ten per cent was for seminars, workshops and conferences; five per cent was set aside to cater for Inaugural Lectures. The last five per cent was set aside to support staff going on sabbatical leave. So, in allocating funds, these guidelines had to be taken into account. Although all members were eligible for support, selection for staff development funding had to go through rigorous vetting. In deciding fund allocation, the committee rated the applications by the following considerations and priorities: whether the funding request was for a PhD, Masters degree, first degree and non-degree qualifications; for initiation of new programmes; organising a seminar, workshop or conference; for publishing scholarly articles and books or writing seminar or conference papers. The committee rated each category differently. The second requirement was that a member of staff applying for sponsorship could only be funded and released for studies if his or her department was able to find a suitable replacement or could make arrangements to cover his or her duties and responsibilities for the period the staff would be on training. To overcome this rather difficult requirement and to ensure that their staff benefited from the Fund, most departments hired part-time staff or re-distributed the load amongst other members of staff. Although in some departments, members of staff were being asked to carry more than their normal loads at the risk of being overloaded and overworked, few complained. The arrangement worked well most of the time and in a way ensured that members of staff finished their programmes of study on time and came back to relieve their colleagues, some of whom were marking time in anticipation for their turn to go for further training too. Another way to stretch the SDF resources further, the risk of excessive inbreeding notwithstanding, was to encourage as many members of staff as possible to apply for admission to the postgraduate programmes offered at Makerere, where most departments normally granted fee waivers. One could only be sponsored abroad, especially at the Masters level, for programmes not offered at Makerere, or if one had evidence of additional funding.

In disbursing the funds to the successful applicants, the Staff Development Committee was guided by the university's list of priorities drawn from faculty, school and institute training priority lists. It was intended to be a participatory and transparent process and, by the time I left the university in 2004, over 300 members of staff had already benefited from the SDF. Outside Makerere, South Africa provided us with an excellent opportunity to train our staff in top-class universities and for this, I was most grateful to my colleagues there. The money we could have spent training one PhD student in Europe or North America was enough to pay for three students in South Africa. Moreover, it was one way of fostering the South-South cooperation. That was precisely why the Deans Directors and I undertook a comprehensive tour of South Africa in 2003, during which we visited some eleven universities where most of our students were studying. Although we were criticised in some quarters for undertaking what was thought to be an expensive tour, in my judgement, the cost was fully justified and real value for money. I was happy to meet and see so many of my young and not-so-young colleagues toiling away at their PhDs at universities such as Cape Town, Stellenbosch, Port Elizabeth, Western Cape, Rhodes, Wits in Johannesburg and Pretoria. Sebastian Ngobi, who was acting as Academic Registrar at the time and his team when we first mooted the idea of the SDF, deserve a special mention here, because their hard work translated into an innovative scheme. This hard work was crowned with the initial inauguration of the SDF in 1998.