

The Impact of Higher Education on National Economic and Social Development: Comparative Analysis

Oleksandr Mykolayovych LEVCHENKO
Tsentralnoukrainskyi National Technical University¹⁵, Kropyvnytskyi, Ukraine
om_levchenko@ukr.net

Anna Oleksandrivna LEVCHENKO
Department of Economics, Management and Commercial Activity, Faculty of Economics and Management
Tsentralnoukrainskyi National Technical University, Kropyvnytskyi, Ukraine
lao18056@gmail.com

Olha Volodymyrivna HORPYNCHENKO
Department of Economics, Management and Commercial Activity, Faculty of Economics and Management
Tsentralnoukrainskyi National Technical University, Kropyvnytskyi, Ukraine
77ov77@ukr.net

Ilona Oleksandrivna TSARENKO
Department of Economics, Management and Commercial Activity, Faculty of Economics and Management
Tsentralnoukrainskyi National Technical University, Kropyvnytskyi, Ukraine
ilonka.tsarenko@gmail.com

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Abstract:

The effect of the higher education under the conditions of knowledge-based economy and under influence of the 4th Industrial Revolution that started at the current stage of economies' development, is being experienced by each country. The purpose of this paper is to identify the economic and social aspects of obtaining higher education, the influence of higher education on the economy, the impact of higher education in the context of current changes on the necessity of the lifelong learning. Particular actuality is associated with necessity of the lifelong learning in the process of working at current economy. The study covers the relationship between the level of education and the development of social and economic potential of a country, the impact of higher education on it. As a result the basic requirements which the sector of higher education should face at modern stage, especially in the context of transformation of countries under influence of the 4th Industrial Revolution.

Keywords: higher education; lifelong learning; knowledge-based economy; 4th Industrial Revolution; economic and social development

JEL Classification: A22; A23; I23; I24; I25; I26; O1

Introduction

Education, in general, has long been viewed as an important determinant of economic well-being and the university education, in particular, as the preferred route for a professional career. The actuality of this aspect increases under the conditions of knowledge-based economy and under influence of the 4th Industrial Revolution. In today's technological and informational society, the level of intellectual development of human resources becomes a key indicator of post-industrial economy. Thus, higher education competitiveness is an indicator of sustainable development of a country's economy and human potential of its population. Higher education at modern stage is not only the factor and catalyst for further economic development of any country that ensures all areas of economic

¹⁵ Ukraine, 25006, Kropyvnytskyi, prospect Universytetskyi, 8.

activity by the professional human resources, being not only as their producer, but also as a consumer to involve in project activities, the creation of new technologies and so on. Thus, the role of higher education becomes increasingly important in terms of reorienting the current development of the society at the next stage, where the higher educational is more flexible to changes in the environment, creative and result-oriented, focused on the need not only to give a knowledge for students but to learn getting it independently, and the most importantly - the educational institutions are increasingly becoming independent and self-sufficient institutions which produce not only a professional staff but also high-tech products, involving in the process of creating its graduates. So, the powerful educational institutions become technological business incubators with own resources and the possibilities to get additional financing.

But this direction of development of higher education gives new challenges. The introduction of the high technologies into the production process creates the need to improve the knowledge and skills of the employees, the implementation of the continuous lifelong learning and appropriate incentives for the professional development.

Lifelong learning is becoming more and more important for the countries that want to be competitive in the global knowledge economy. So the era of the 21st century is not only a new landmark development but, above all, a transformational shift to the intellectualization as the process of the saturation of the information environment by the intellectual assets.

Conclusion

Therefore, we can summarize that the impact of higher education under the conditions of knowledge-based economy is growing up with each year especially in the context of transformation of countries under the influence of the 4th Industrial Revolution. But their peculiarities are changing too. In particular:

- the changes in the requirements to the graduates: not only persons with received knowledge within academic course, but also persons with the skills and abilities on continuing the process of lifelong learning independently (learning to learn), the ability to independent searching of the necessary information from the extensive array and its analysis;
- the changes of philosophy of education: providing the interactive partnership's model the relationship between professors and students as subject with subject unlike current 'subject – object model';
- the educational environment which gives the opportunity for professors to play the role of a guide on the way of 'knowledge mining' should be created in these universities;
- the services of higher education are getting more internalized with increasing of numbers of foreign students abroad;
- universities are becoming more global, thus we should apply a new criteria of quality evaluation in global dimension, which are well-wide recognized;
- system of higher education institutions is becoming not only a producer of educational services and a new knowledge to its customers (which has the own centres, powerful scientific centres and laboratories, where able to attract students of such universities), but also as their consumers through the creation the powerful research centres in such universities that are actively involved to the introduction of innovation in different spheres of economy and innovation activities;
- the appeal of «education hubs» is broadening;
- technology is becoming increasingly central to education worldwide;
- educational cooperation through the creation of consortia is becoming more common;
- principle of regulation of higher education by the state is modified because the competition among universities is increased due to the lack of borders in the educational environment;
- the need to involve the universities to the project activities aimed at solving both national and global issues of economy of the countries.

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