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**THE CONCEPTUALIZATION OF THE PUBLIC GOOD OF
HIGHER EDUCATION**

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Abstract

Solving the article's scientific problem is the development of theoretical foundations for the public good of higher education in the context of the formation of the new economy. In the near future vector of development of higher education will among other things be determined by the need to solve several tasks: improving the accessibility of higher education, improving its quality, increasing the efficiency of research activities, overcoming the excessive commercialization of universities and other. These tasks are often aimed in different directions, and their decision appears to be a matter of extreme difficulty. Strategic way to solve the problem the authors see is not changing the rules, strategies and instruments, which operates the controller, and changing attitudes to the role of higher education, which is possible only on the basis of conventicle developed and adopted, as a minimum, the academic community, a new concept of higher education. Only on this basis it is possible to change educational policies to give strategic guidelines for the development of education in the formation of the new economy. Therefore, the aim of the authors in the framework of the research problem – definition of the conceptual bases of the public good to higher education as a key element of the formation of the new economy.

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Keywords: The Role of higher education, individual and social value of higher education.



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1. Introduction

Higher education plays an increasing role not only for sustainable development of economy and society, the competitiveness of national economies, but also the way of society to a qualitatively new level of socio-economic development. It is recognized that in the twenty-first century of objective social needs has highlighted human development as a main condition of transition to the new economy, as a factor of overcoming the risks associated with a dramatically increased dynamic technological and socio-economic changes and the growing problem of resource constraints and, in the end, as the main source of growth for the public welfare. The formation of a new paradigm of socio-economic development makes new demands to higher education, the result of functioning which just acts as human potential.

On the other hand, it is known that at the end of the last century, erupted a deep crisis of education, not overcome until now. The higher education crisis, which is global in nature and at the same time have national specificity, raises the question of the comprehensive modernization of this sector, which leads to the intensification of the search of ways and methods of reforming higher education not only in Russia but throughout the world. However, the complexity of the problem, its urgency, the unresolved and debatable on many issues allow us to conclude that the theoretical understanding of this problem still remains unfinished. The acuteness of the problem adds to the fact that during the twentieth century there has been a trend of increasing life expectancy in many countries, which can entail serious consequences and challenges for companies. Studies show that among the many factors determining the level of subjective well-being in old age, not the last role is played by a well-developed system of higher education (Barysheva et al, 2017). However, her crisis state – is the risk for "successful aging".

Thus, higher education must play an important role in a deeply contradictory process of socio-economic transformation, covering all aspects and spheres of society.

2. Problem Statement

In the last few decades, the future of higher education is often discussed in the framework of the neoclassical paradigm that dictates an instrumental and individualised agenda, both for theoreticians and for practitioners, limiting the search of ways of reforming of higher education in the context of technology development and implementation in this sector of the market principles and methods of functioning. The basic concept in this case acts as the "educational service", which unduly narrows the concept of higher education, both from a historical and from a logical point of view and which has moved the focus from the idea of the public good of higher education to a more individualized concept of human capital. "The public good, – says George. Williams, was revised as a collective private profit" (Williams, 2016).

Education is connected with all spheres of life of society and performs in each of them the specific function. And at some point or another comes to the fore one or the other function. Historical experience shows that the content, structure, organization and functions of the education system are not static, constantly transforming under the influence of impulses coming from the outside. The economic function of education ("higher education for the needs of the economy") came to the fore in the industrial era. In these circumstances, the main impetus for the development of the education system serve the needs of the

economy, namely: education of labor is a necessary and important aspect of reproduction, along with the entire reproductive process as a whole. It should be noted that the concept of human capital has played an important role, justifying the position that investments in human capital (primarily education) and its accumulation is the primary factor in the welfare of the individual, firms and society as a whole. However, in connection with the formation of the prerequisites for the transition to a new economy, an economic approach to higher education is no longer sufficient, as it comes from market criteria and focuses on the possibility of extracting a person (and society) increasing income ("profit") of their abilities (labor). In fact, we are talking about a person as a resource and tool for socio-economic development. In the literature it is emphasized that at the present stage of development of the economy in connection with innovation, quality shifts dramatically increases the role of man in the reproduction process, and "this necessitates the transition from based on the accepted neoclassical analysis of resource approach to the person, or "chelovekovedeniya" paradigms of social reproduction, to its new, human-centred paradigm" (Soboleva, 2006).

Thus, the main theoretical and practical problem of higher education development at the present stage is the overcoming of the purely economic approach to higher education as factor of human capital formation and emphasizing its public use (Greenberg & Rubinstein, 2000).

3. Research Questions

The terms "higher education and "public good" has long been used as synonyms. And not in the utilitarian sense that higher education provides economic and social win both society at large and its individual citizens. "Education is person-oriented field of activity, therefore one of the main and permanent task is to save "humanity" of higher education" (Bassett, 2015) that the political-economic language means the recognition of higher education as an institution and the process of reproduction of man and society.

However, fundamental changes in technology of production, change the fifth to the sixth technological order, the information revolution, the emergence and development of the economy based on knowledge has led to massivization of higher education, gave rise to a contradictory phenomenon. Thus, in the report of the Western experts, prepared for UNESCO world conference on higher education 2009, it is noted that, along with the positive trends, mass embodies and negative manifestations (Altbach, Reisberg & Rumble, 2010). Among the latter: a reduction in the quality of education, reduced public funding, the increase in the share of paid higher education, the commercialization of universities, the General decline in academic standards and more. All this contradicts the very essence of higher education and raises the need to update understanding of the public benefit of higher education.

Hence the main research questions are:

- What is the essence of higher education?
- What is the economic nature of higher education?
- What is the public benefit of higher education?

4. Purpose of the Study

The purpose of the study is to determine the conceptual bases of the public good to higher education as a key element of the formation of the new economy. Scientific novelty of the research lies in the development of sociodynamic concept of the economic nature of higher education. The scientific relevance lies in the identification and systematization of the theoretical foundations of public benefit of higher education.

Practical significance of the research associated with the use of the proposed concept in the justification, development and decision-making on strategic issues of higher education development at the present stage.

5. Research Methods

Theoretical and methodological basis of research is the concept of economic sociodynamics, the basic axioms which are the postulates of complementarity of individual and social utility, the existence of Autonomous (irreducible) of the interests of society as such and social immunity. This approach is complemented by the use of the basic idea of the concept of human potential of man as the Supreme value of social development, provisions to amend the scope of work during the transition to the knowledge economy.

6. Findings

Based on the understanding of higher education as an institution and the process of reproduction of man and society, it can be defined as a set of knowledge and skills that are embodied in man as a result of the process of training and education in appropriate educational institutions (universities), it is actually talking about human potential.

From the point of view of the concept of economic sociodynamics R. S. Grinberg, A. Y. Rubinstein higher education refers to a mixed sociodynamic benefits, the salient features of which is the presence of two properties: individual and social utility.

Individual utility of higher education lies in its ability to meet such needs of the individual, such as:

- material well-being and its improvement. Higher education allows individuals to access better paying professions;

- competitiveness in the labor market. The necessity of obtaining of the diploma of higher education due to the situation in the labour market: employers ' requirements to be met by potential applicants in the formal part of a diploma of higher education, including those jobs that do not require relevant qualifications;

- formation of productive abilities, i.e. acquisition in the process of obtaining higher education such knowledge that would enable you to perform the job;

- improving the social status, public recognition through higher education, which in this case acts as a tool for the prevention of economic and social stratification;

– the formation of social capital: defining their place in society, building personal connections, and more.

The requirements of the individual in higher education are expressed in the economic functions of higher education, the main of which is the formation of human capital.

The social usefulness of higher education reflects the Autonomous interests of society as a whole that are not detected in the preferences of individuals through the market mechanism. Satisfaction of such interests is possible only under condition of state intervention. These include:

– sustainable public life through the transmission of historical and cultural values through higher education;

– adaptation of the generation entering into life, to the world. Higher education, as an adaptive system, one of the main functions of which is transgenerational transmission, transmits from generation to generation the skills, abilities, thinking, behaviors, etc., everything that was selected and tested for the survival of the society of previous generations;

– social control, prevention of social conflict in society, as well as the provision of professional stratification

– the formation of the mentality of society, life values and priorities.

Summarizing, we can say that higher education produces not only private good in the form of human capital that brings its owner an income, but also a public good – the creation and dissemination of culture (Auzan, 2013). Thus, at the present stage the role of higher education is determined by the fact that the ratio of individual and social utility of its shifting towards the latter. The role of education is not limited to the creation of human capital, it also serves to addressing important social issues and is a key element in building a new economy.

7. Conclusion

In article the basic theoretical principles of the public benefit of higher education, which, in our opinion, can be taken as a basis for further development of the economic theory of higher education as a theoretical and methodological framework of educational policy.

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