Olena Ivanivna Koziyevska

Higher Education in Ukraine: Lessons of Reform

Nauczyciel i Szkoła 2 (52), 153-168

2012
Higher Education in Ukraine:
Lessons of Reform

Słowa kluczowe
Strategia rozwoju szkolnictwa wyższego, globalizacja, autonomia uniwersytetów, integracja, przestrzeń edukacyjna.

Streszczenie
Szkolnictwo wyższe na Ukrainie. Lekcje z reformy

Ключевые слова
Стратегия развития высшего образования, глобализация высшего образования, массовизация образования, автономия университетов.

Резюме
Реформирование высшего образования в Украине носит в большей степени дискурсивный характер. Приоритеты изменений и траектория дальнейшего развития до теперешнего времени не определены, а значит, не осознаны обществом и не переведены в плоскость практических действий. В статье определяются особенности функционирования высшей школы на современном этапе: анализируются факторы, которые обусловили специфику функционирования национальной системы образования, выясняется степень её взаимосвязи с институтами советской образовательной модели и интеграции в европейское образовательное пространство; обозначаются перспективы её развития.

Keywords
Strategy of higher education development, globalization of higher education, large-scale involvement in higher education, expansion of higher education availability, autonomy of universities.
Summary

Higher Education in Ukraine: Lessons of Reform

Higher education reform in Ukraine is of a discursive nature. Neither reform priorities, nor the direction of further development are clearly defined thus far; therefore society is not aware of them and no considerable implementation has been instigated. In the article, the peculiarities of Ukrainian higher education at present are analysed; the factors affecting the specifics of its operation are analysed; the levels of its interconnection with the Soviet model for educational institutions and of its integration into the European education space are assessed and its development prospects are outlined.

The reform of national education systems has become a world-wide trend. As a matter of fact, it is an answer to the challenges of contradictory processes within civilization requiring re-interpretation of both the role and the place of education in modern society.

Higher education reform in Ukraine is mostly of a discursive nature. Neither reform priorities, nor the direction of further development are clearly defined thus far; therefore society is not aware of them. Implementation takes place slowly. Sometimes, though, it intensifies and becomes urgent: that happened in 2011 when new variants of the “Bill on Education” were presented, yet on the whole, there has been a lack of success in the realization of higher education reforms.

It is clear that these years are not easy for higher education in Ukraine. National experts believe it to be at the point of no return if reforms are delayed. Within the scope of the 21st century, certain challenges endanger the preservation of the nation’s educational potential. The choice of further higher educational development depends on the way one plots its coordinates. That is why it is so important to provide analysis of modern higher education characteristics and the factors influencing it from various viewpoints, including retrospection.

The goal of the article is to define the peculiarities of Ukraine’s higher education as it functions today: primarily those that are causing the specific nature of how the national educational system functions; to identify and assess its connection with the institutions of the Soviet educational model and the level of its integration into the European model; and to outline its developmental prospects.

The issues of higher education development in the modern world were studied by a large number of domestic scholars: V. Andruschenko, V. Astakhova, M. Zhurovskyi, M. Yevtukh, S. Korsak, V. Lugovyi, P. Saukh. Experts in other fields also tried to provide analysis of urgent processes taking place in higher education from the point of view of philosophy, sociology, law, public administration theory, history etc. (V. Zaichuk, V. Kremen, N. Panina,
A. Yakovenko). Research work by foreigners covering some particular issues of higher education in Ukraine is worthy of special consideration, notably the functioning of private education and the studies of people with special needs (J. Stetar, A. Sharon). A number of complex analytical research works appeared (T. Finikov, H. Sichkarenko) due to the need for critical review of achievements and unsolved issues of higher education connected with legislative reformation while taking into account the fact that two decades have passed since Ukraine’s independence. The necessity of further research in this field is explained by the complexity and inconsistency of higher education formation in Ukraine since it gained independence as well as the lack of consensus concerning its development prospects.

Modern Ukrainian education is characterized by contradictions in performance. Ukraine still occupies a rather high position in the world with regard to its educational level, though it has gradually lost some ground. According to the 2011 Human Development Index (HDI) ranking published in a United Nations Development Programme’s Human Development Report, Ukraine holds 76th place out of 187 countries, which still means it has a high level of literacy and culture. Yet, if compared to the previous rating, Ukraine has lost 7 points.

In 2011-2012 Ukraine ranked 51st in the Global Competitiveness Index, designed by the World Economic Forum (Klaus Schwab, 2012), according to the subindex “Secondary and Higher Education, Vocational Training” (in 2010-2011 Ukraine ranked 46th). This subindex includes such competitive advantages as “Tertiary Enrolment Ratio” (8th place in 2010-2011, 7th place in 2011-2012); “quality of math and science education” (42nd place in 2010-2011, 36th place in 2011-2012) and “quality of the educational system” (56th place in 2010-2011, 62nd place in 2011-2012). It should be noted that the loss of 5 points compared to Ukraine’s previous position caused a shift from competitive advantages to potential threats in the subindex, “Secondary and Higher Education, Vocational Training”.

According to the basic statistical indicators characterizing educational potential of the population and its dynamics, Ukraine does not lag behind economically developed countries and even takes the lead over some. In 2010 one of the world’s highest public expenses on education rates was achieved: 7.4% GDP, including the 2.6% of GDP that was spent on higher education, which can be compared to the rates of developed countries in Western Europe and North America. Besides that, Ukraine is a leader in Eastern Europe according to this rate. According to the 2011 data from the State Statistics Committee of Ukraine, the number of students per 10,000 people has increased since 2000 from 432 to 602. According to the Ukrainian Census (2001), the literacy rate is 99.51%. The tertiary education rate (including undergraduate higher education) in Ukraine of people 25-65 years old is 31%, and 38% for the employed, which
is nearly the same as the rates of highly developed countries such as Germany, the UK, the Republic of Korea, Sweden; only the USA, Canada, Russia and Japan surpass this rate.

However, these numbers do not account for the achievements during the 20-year long period since independence, as they are formal indicators that do not truly show the population’s level of education because of the low quality of education. It is generally accepted that the economic effectiveness of education is assessed according to the influence of the level of education attained by employed workers over the dynamics of GDP or national income; the interconnection between the rise in the educational level and the dynamics of national income; and the dependence between a specialist’s level of education and his/her income. In Ukraine such kinds of correlated connections cannot be easily assessed because of the imbalance in the labour market and the decrease in the quality of higher education. That is why it is quite impossible to assess the true economic effectiveness of Ukraine’s education.

Ukraine’s education system remains balanced on the achievements of the Soviet period and the attitude Ukrainians have to education historically as an indisputable asset that is connected to their striving for success in life.

After the fall of the USSR, Ukraine, together with the majority of other ex-Soviet states, entered into a phase of systemic transformation of education, a reform that had been procrastinated for two decades and continues to the present. The transformation of national education in this period has some peculiarities that have shaped the modern condition of Ukraine’s higher education.

Ukraine inherited a system of higher education from the Soviet Union that was generally balanced according to the society’s needs and was rather effective. It was typical of industrial societies with centralized totalitarian management. The training of specialists took place in the environment of a command economy which helped to avoid any issues with job placement. The level of training of both specialists and academic staff was equal to all European and world standards. In some areas, notably in math and science education, this level was even higher. There was a task to create a system of continuous education. Solid secondary education gave higher education institutions the opportunity to select the best students. The social status of academic staff was higher than in many other fields and the high pay level attracted gifted specialists. The system of selecting students for post-graduate education worked efficiently. The standards of the quantity of academic staff and students were balanced. Educational institutions were provided with research and methodological literature of high quality due to the proven reviewing mechanism. All together it created a rather efficient and highly professional school for its day, with its achievements being recognized at the international level even under ideological confrontation.
Soviet education was at a particularly high centrally-managed level and was found to be under pressure from the administrative and political machine, which had both positive and negative effects. Management centralization allowed Soviet leaders to fulfill a number of socially important public tasks: eliminate illiteracy, implement reforms for secondary education and vocational training, create large research centers working for the militarized economy, etc.

Meanwhile, development of higher education was hampered by ideology and the politicization of the teaching and educational process, a low level of academic freedom, the student being deprived the freedom of choosing his/her direction of studies, disproportionate training of specialists according to quantitative, qualitative and territorial indications (including overproduction of specialists in engineering and technology).

The need to reform the higher educational system inherited from Soviet times was indicated by external challenges of globalization in connection with the internal issues of Ukraine’s political, economic and social problems.

At large, Ukrainian higher education was developing along side world trends in higher education that were taking shape in the second half of the 21st century, e.g. the humanization of the educational process, the shift to humanitarian specialist training, the emergence of the private sector, large-scale involvement in higher education, the diversification of funding sources and cuts in state expenditure on higher education. Yet, since Ukraine declared independence, the reforms have been nothing more than the mere amelioration of some particular features of education, mostly structural ones. Practically, they have had nothing to do with content, goals, objectives, methods and technologies and were therefore, as a matter of fact, wrong.

In 1991 large-scale involvement in higher education began, as did rapid expansion in the network of higher educational institutions. It is worth mentioning that as a result of the 1991 structural reforms in higher education absorbed “specialized secondary education”. Consequently, in order to analyze the dynamics of student quantity, the calculation of students studying at level 5V of tertiary education according to the international standard classification of education should be done separately. Using Ukrainian terminology, they are studying in higher educational institutions at the III-IV level of accreditation. In fact, the number of higher educational institutions in Ukraine is much smaller, as we believe the higher educational institutions of I-II level of accreditation are unreasonably attributed in higher education. World standards specify only higher educational institutions at III-IV levels of accreditation as being those of higher education. Since Ukraine declared independence the number of students has almost doubled (183%), and the number of those completing a full course of higher education has almost tripled (277%).
Large-scale involvement in higher education as a phenomenon is generally welcomed as it makes higher education more accessible and satisfies people’s demand for education, and the increase in the number of graduates is considered to be a positive sign of national development. In the early 2000s, 76% of those leaving school became students. This number exceeds the world average (60%) and is close to that of North America (84%) (Kremin, 2004).

The number of students has increased before. During the Soviet period from 1917 to 1970, the total number of students became 25 times higher, and the number of college students became 17 times as high (State Statistics Committee of Ukraine, 2006). This phenomenon is explained by the rapid industrialization of the country and the need for a highly-qualified work force. Large scale involvement in higher education during the social and economic transformation in independent Ukraine was stimulated by the increasing needs of the population with competitive qualifications on the one hand, and, on the other, a greater number of tertiary education institutions, including private educational institutions, which were supposed to become highly profitable, combined with an increasing number of students to pay tuition fees in state universities. The number of private educational institutions has been gradually increasing since 1991. That year 175 private educational institutions were registered in Ukraine, today there are approximately 200 of them. TEIs are trying to compensate for the lack of state financing at the expense of students, who pay their own tuition fees. More than 433,500 thousand students (15.4%) study at private TEIs in Ukraine today.

Negative tendencies such as obsolete forms and methods of teaching, constant lack of financing, absence of material and technical resources and lay-offs of pedagogical workers, served as a background for large-scale involvement in higher education. Greater access to higher education coincided with the worsening quality of education and a decreased value of diplomas.

To sum up, during the state of economic and political crisis the development of the tertiary educational system proved to be purely extensive. Large-scale involvement in higher education made it less valuable from a social and individual point of view, as it ceased to raise the plight of those in Ukrainian society.

One of the major differences between the national system of tertiary education and the Soviet one is the renunciation of the former to finance higher education exclusively.

This trend is observed all over the world. Since the early 1980s financial support of those sectors (including higher education) in many countries, has gradually decreased. This fact motivated universities to enrol fee-paying students in order to make up for decreasing state investments.
Paragraph 6 of article 61 of the Law of Ukraine “On Education” proclaims that the state educational establishments, organizations and institutions are financed at the expense of the corresponding budgets, branches of the national economy, state institutions, as well as the additional sources of finance. Needless to say that such a principle for financing education through various sources is determined by the fact that now the national budget is not able to finance the education system on the “Soviet scale”. Moreover, we can see that the renunciation of Soviet principles as regards financing higher education did not create the possibilities for efficient management of material and human resources.

Unfortunately, in Ukraine we observe a misshaped scheme in the financing of tertiary education, when the state proves unable to provide adequate financing for the education system it literally obliges private citizens to do so for themselves, regardless of their income. It can be illustrated by the fact that in 2004 the portion of education fees constituted 55% of the total sum spent on higher education. To compare that sum with other countries, education fees in the university budgets of Great Britain amounted to 12% and in Canada, 11%, whereas in the Netherlands, Germany, Finland and Sweden students did not pay for education at all (Nikolayenko, 2004).

It is considered that the widespread use of tertiary education is a transition from elite education to mass education. However, as the income of the population varies greatly, and the state refuses to fully finance tertiary education, wide access to it can go both ways: as the population becomes more educated, the social gap can grow. Having analyzed the social structure of the population, Ukrainian sociologists have proven that in Ukraine education has become a factor that consolidates social inequality between the more and the less educated layers of society, which can have negative consequences in the future, thus making educational inequality hereditary (Oksamytnaya, 2004).

The modern high school inherited the administrative and command system of management from the Soviet system. The example of solving management problems by solely administrative methods is the epitome of high school establishment systems.

At the end of the 1980’s the educational network in Ukraine included 146 higher educational establishments, of which 9 were universities, where more than 854,000 students studied in 400 specialties; 63,500 thousand scientific pedagogical staff members worked, of whom 52.4% were Candidates of Sciences and 5.2% were Doctors of Sciences. There were 164 students per a population of 10 000 in Ukraine. Most higher educational establishments belonged to pedagogical, engineering and technological spheres (Kremen and Nikolaenko, 2005).
According to the statistics by the State Committee of Statistics in Ukraine placed on the site <http://www.ukrstat.gov.ua/> at the beginning of the 2011-2012 educational year there were 846 higher educational establishments, of which 345 that had the III-IV level of accreditation and 501 that had the I-II level of accreditation. It is one of the highest indexes denoting the amount of higher educational establishments in Europe. The problem appears to be even more complicated because of the availability of separated structural subdivisions which are associated with higher educational establishments and do not have the status of legal entities. As of January 1, 2008, 1,004 separate structural subdivisions functioned in Ukraine of which 732 were state-managed and 272 were privately managed. The expansion of their network in recent years did not take into account social, economical, cultural and educational needs for their functioning. So, the present network of higher educational establishments is not balanced with human, research, informational, financial and material resources.

The problem consolidating higher educational establishments is being solved by joining other higher educational establishments and creating a network of “large dimension” universities. Almost 20 analogous consolidations have taken place during 2011-2012 educational year. Managers of the Ministry of Education and Science, Youth and Sport of Ukraine suppose that it is enough for Ukraine to have 90 higher educational establishments (on the average one higher educational establishment for 500,000-800,000 people in the country). Such an amount of high educational establishments will correspond to world parameters, when there is one successful higher educational establishment for 500,000-800,000 people in the country.

We suppose that Ukraine will not automatically receive an increase in the quality of education after the consolidation of universities. Rather, the aim of such a consolidation will be to shorten budget financing of higher education because there is no information that fewer higher educational establishments will be financed on the same level. So, everything is taking place according to the scenario as it has already happened in secondary school. Then the duration of secondary school education was shortened from 12 to 11 years under the slogan “increase the quality”. But there was no information where the saved money was spent and surely the funds were not directed toward the increase in teacher salaries, material and technical base improvements etc.

Obviously, relying solely on administrative methods is ineffective. And although it is very disturbing that the average contingent of students in higher educational establishments at the III-IV levels of accreditation is only 6,700 people, the problem is not about the exorbitant amount of higher educational establishments, but about the absence of competition in the world market for educational services provided by universities.
In our opinion, optimization of higher educational networks must occur taking into consideration not only demographic indexes but also economic realities and the need for improvement in the quality of education.

First of all, it is necessary to create definite conditions (economic, legislative etc.) for such universities that provide qualitative educational services, so that they can effectively function. In this case, not artificial, but natural selection will happen under market conditions. Secondly, the application of administrative and organizational measures is appropriate while creating regional universities through the unification of educational establishments according to oblasts and independent of the centralized educational bureaucracies.

Another structural characteristic of the modern high school system, adopted from Soviet times, is the subordination of the higher educational establishments to a centralized authority. The higher educational establishments are subordinate to 26 ministries and administrations and as a result, the financing of education is dispersed, its usage inefficient, and the quality of educational services become problematic etc.

The implementation of the Bologna Process in Ukraine could be a good example of the excessive attention of central authority, (which is responsible for educational administration), to some structural changes that were expected to be mechanisms for the introduction of quality education, but it did not justify those expectations.

Connected with joining the Bologna Process, structural changes in the higher education system did not result in a positive effect – these changes did not improve the quality of higher education, because they appeared to be a mechanical, formal transference of the Bologna principles into Ukraine without appropriate analysis of the risks, financial support, the legislative base and consideration of our native pedagogical traditions. So, the Bologna process in Ukraine began with the introduction of a credit-module system. Instead, the absence of appropriate conditions (access to the Internet, quality educational literature, reduction of the volume of lectures and the undeveloped skills of students to work independently) made this new process of educational organization ineffective. Actually, such a result was absolutely foreseeable. Sichkarenko G. (2009) states that a credit-module system, i.e. the system has an element of a general logically completed European high school system and it corresponds to other levels of social, economic and cultural development. During implementation of the principles of the Bologna Declaration in Ukraine, the emphasis was put on the corresponding exterior characteristics, but not the interior characteristics of European higher education. The basic aspects of the Bologna Process were not taken into consideration. In particular, during the Communiqué at the Conference of European Ministers of Higher Education
“The European Higher Education Area – Achieving the Goals of All-European Sphere of Higher Education – Achievement of Goals” (Bergen, 2005) it was stated that ensuring autonomy for universities is an obligatory criteria for the inclusion in the European Higher Education Area.

But the autonomy of most Ukrainian higher educational establishments is still limited. It concerns the questions of financial independence, the structure and amount of preparation for specialists with higher education, based on agreements to recognize diplomas of other universities, acquirement scientific degrees of candidates and doctors of sciences etc. In fact it is private education that is the most independent, because depending on different cases it corresponds to different laws: either educational legislation or legislation that regulates commercial activities; some kind of autonomy is defined by the norms of current legislation for national and research universities.

It is possible to agree with one colleague’s opinion that Ukraine does not possess enough historical experience in autonomous administration and financial management. The collision lies in the fact that it is impossible to acquire such experience without appropriate changes in legislation. The confirmation is an unsuccessful experiment supported by Fund “Vidrodzhennia” in 2005 when the autonomy of higher educational establishments of the IV level of accreditation was expected to be enlarged. Eight leading Ukrainian universities, all of different types of ownership and subordination, planned to participate in the experiment. It was expected that the experiment would create preconditions for educational establishments to legally exist and function with more autonomy. But while being considered by the appropriate ministers, the project was recognized to be in contradistinction with Ukraine’s current legislation. The legislation concerning higher education, in particular Base Education Law of Ukraine and Higher Education Law of Ukraine, did not include any information about the existence of autonomous higher educational establishments. So, a definite jurisdictional collision occurred and this project was put out of action.

So, the question about Ukraine adopting European-like levels of educational autonomy to its own higher educational establishments is still open and it must be solved on the legislative level.

Another undeniable priority of the Bologna Process is academic mobility. It is the main tool toward forming a European-like autonomous educational structure and its importance is underlined in all documents resulting from the Bologna Declaration. Instead, from the moment Ukraine joined the Bologna Process until now this term still has not found its place in the terminology of Ukrainian educational legislation.
During the Third All-Ukrainian meeting of educators in 2011, the participants supported the National Strategy of Development of Ukrainian Education project for the years 2012-2021. As it is stated in this project, this strategy needs to be emphasized because necessary changes are needed in order to ameliorate the quality and competitiveness of national education, the solution of its strategic tasks resulting under new economic, social and cultural conditions, and its integration to European and world educational domains. But there is no mention of the development of international academic mobility as a mechanism to implement Ukraine’s desire to enter European educational space.

We have to mention that the Higher Education Law of Ukraine does not include other concepts related to the Bologna Process, which are critical for its implementation, e.g., “European Higher Education Area”, “academic mobility”, “European Credit Transfer System”, etc. So we certify that the imperfection of the regulatory and legal framework governing the implementation of the principles of the Bologna Declaration is an obstacle for Ukrainian higher education in entering the world educational domain.

Looking back and rethinking the results of Ukraine’s integration into the European educational domain, the question arises whether it was possible to avoid conflict between the “Bologna Reforms” and the national educational system and to minimize the negative consequences. It is definitely difficult to answer. As the Polish scientist and philosopher M. Kvyek (2004) says, the Bologna Process started in order to solve internal European regional problems, especially market ones. Instead, the ideologues of the Bologna Process do not have clear ideas how to solve educational problems in the post-Soviet countries of central and Eastern Europe while these nations are implementing their own integrative aspirations. Therefore, for these countries, the Bologna Process does not contain guidelines and recommendations that would take into account their socio-economic and political characteristics. Summing up, the Polish scientist concludes that “the Bologna Project” might be successful in Western Europe, but it is not suitable for countries in transition.

From our point of view the Bologna Process is a socio-economic phenomenon that is intended to solve problems in Western Europe. A logical step in the formation of the common European political and economic continuum was the creation of a European educational domain. It was expected that the implementation of the principles of the Bologna Process in Europe would provide mutual “transparency” of existing national educational qualifications, would make the educational systems in different countries comparable and thus would form a single European labor market.

So, Ukraine has been preserving the educational system inherited from the former Soviet Union that has been adapted to some extent to market conditions in twenty years of independence. All transformation processes were occurring at the structural level through [the] command-administrative methods;
in context, the country’s development strategy depended upon measuring the financial capabilities of the state.

In spite of reform efforts during the years of Ukraine’s independence, (implementation of a multi-tiered system of higher education, the formation of a new regulatory framework, forming the system of licensing and accreditation of the National Qualifications Framework and establishing new standards of education), numerous innovations in education, since the 1990s have not led to significant positive changes and consequences in terms of management efficiency, autonomy, availability, content, economy and quality of education, effectiveness of research. Under the slogan of “reform”, “arrangement”, “bringing into correspondence”, “consolidation” the imitation of higher education reform was accomplished, but in reality, it was not successful. Because the concept of higher education ideology has not been created; there is no answer as to what type of education is needed in Ukraine. Attempts to avoid and stop the negative trends in higher education also proved futile. To explain this phenomenon we can find many reasons.

As we mentioned before, reform of higher education was under the influence of global trends and new economic, socio-political transformation starting from Ukraine’s independence. New conditions generated a number of structural, technological and managing challenges that have not been adequately solved. It led to a very low quality of higher education in Ukraine and for a number of parameters does not match the realities and trends of transforming society, i.e. the transition from an industrial to a postindustrial society and meeting the needs of modern man.

The first years of independence were marked by a deep crisis in society. To some extent it is due to not only surface and radical restructuring, but also due to changing priorities caused by the change in the social, economic and political structure of the country. Obviously, Ukrainian society was not ready for such drastic changes.

Twenty years of educational system reform revealed incompetence and failure of most of the reformers, as well as the unwillingness of society to change. On the one hand, the primitiveness of social and economic thinking, the low political culture of the majority in Ukrainian society blocked adequate analysis and educational innovation. Because of political and economic turmoil, scientific and educational intellectuals did not play a leadership role and therefore ideas that should have shaped public opinion, were unfortunately, not disseminated. On the other hand, political leaders followed Ukrainian scientists and educators only formally, to create the impression of social consensus. Therefore, any policy decisions, including the reforms in the educational system, were adopted without a thorough analysis of the consequences of their implementation. Unfortunately, it must be noted that any reform, including educational, can not be successful in an undeveloped civil society.
Ukrainian society does not delineate the notions of “reform” and “modernization” in the system of higher education. They are used interchangeably to refer to changes that are taking place or will take place in higher education. Modern dictionaries indicate significant differences in lexical meaning of these words. “Reform” means the gradual transformation with the preserving principles of the past. “Modernization” implies radical changes, updating to meet the needs of today. Actually it shows deep misunderstanding by the authorities that form academic policy, goals and paths to higher educational development.

Educational reforms were often chaotic and unsystematic because they expressed the subjective vision of ministers on various routes of education. The crisis deepened because of the lack of consolidated political will, the continuity of initiated reforms, their specific success and the lack of a clear integrated national approach to their implementation. All these facts created tension in society. Statutory acts often were inconsistent and contradictory. Their imperfection forced to amend the basic documents in the relatively short term, bringing confusion and chaos in the activities of higher educational institutions (the order of awarding degrees and academic titles, licensing, etc.).

The lack of consistency and planning by the government has resulted in decisions that proved controversial and were not supported by society. For example, an attempt was made to transfer medical and agricultural universities (these were subordinate to the relevant authorities) to the Ministry of Education and Science, Youth and Sports of Ukraine in 2011. In the late 1990s, the authorities directed efforts to increase social protection of certain categories of citizens when they entered the university to study certain disciplines funded by the state budget. Having adopted a number of documents, the government tried to expand the access of socially-vulnerable groups (e.g., orphans, victims of the Chernobyl nuclear power plant catastrophe, children whose parents died as combatants in other countries, etc.), by setting quotas, loans and more. However, after five years, the government considered the abolition or reduction of benefits for applicants from socially-vulnerable groups as their achievement, as time revealed the negative consequences of their decision – the inability to charge students who are unable to master the program, problems with filling quotas for rural youth (training of doctors, teachers) and others.

Extrapolating political ideas and frequent changes in the political forces of the country led to the elimination of the reforms undertaken without a clear conceptual motivation. As an example, the year before there was the repeal of the 12-year secondary education law of which the implementation was started in 2002 and a return to the 11-year cycle. According to calculations by experts of the Organization for Economic Cooperation and Development, increasing the average education term for residents of a particular country for one year leads to an increase in GDP of that country by 3-6%. During the discussion and decision to cancel the “12-year plan” politicians corroborated the appropri-
ateness of their decision by the inefficiency of expenses for an additional year of study, thereby substituting temporary savings of several million grivna for a state budget for billions of grivna in losses in the future.

Such authorities’ actions are explained by the absence of an educational development strategy with clear goals and objectives that have to be solved by education in the present and in the future, and the unified political will that would be capable of taking specific action to gradually improve the quality of education.

For a long time, transformation processes in education have been taking place in isolation, without regard to economic realities and have not been connected with the economic needs of the nation. Being a self-sufficient and a self-enclosed system, education had no real impact on economic development. Education in Ukraine has not been seen as a priority that determines economic growth, but as a burden on the economy.

The American economist Richard Isterlin (1981), exploring the problem of economic growth and the spread of education interaction, asserted that the nineteenth century industrial revolution gained traction due to education reforms. However, education can give a boost to economic development if the nation’s economy has positive developments. Without preconditions for economic development, the effect of influence on economic development occurs much later. According to R. Isterlina’s survey, economic growth is observed 25-30 years after educational reforms. Applying this thesis to Ukrainian conditions, we can assume that providing full-scale educational reform, Ukraine’s educational system, which continues to survive at the expense of intensive growth of the low-tech and rough exports, will blossom in a few decades.

In Ukrainian society, the idea prevails that due to education rising to a new level, the economy may better develop and social problems may be solved etc. However, the relationship of education and economics is not one-sided. A number of economic factors (income differentiation in the country, the unemployment rate, the extent of financial markets’ development, etc.) along with political stability determine the future level of education. N. Pavlova (2001) in her dissertation, “Modeling the Impact of Education on Economic Growth” has proven that to some extent education depends on the level of income. By itself, high levels of education do not necessarily lead to higher economic activities. A set of factors along with education is necessary to promote economic growth. Therefore, the reform of higher education in Ukraine should be undertaken in the context of purposeful state policy that involves the development of the legislative framework, increasing political stability and the complexity of socio-economic measures aimed at improving the welfare of the population.
To summarize, education, including higher education, is a part of society. On the one hand, it serves the economy by providing specialists it needs. On the other hand, it works for the long-term perspective by stimulating and determining the future level of Ukraine’s economy. Therefore in times of economic stagnation in Ukraine and the lack of effective implementation of an innovative strategy, educational reforms are unlikely to be a powerful engine of economic growth. Rather, they are aimed at bringing the higher educational system in line with Ukrainian realities. The reform process, limited only to the educational domain, and not supported with real changes in the economic, political and social domains in Ukraine is another futile attempt at “countries with transition economies”. Thus, reform of higher education in Ukraine should occur in the context of a purposeful state policy that involves the development of the legislative framework, increasing political stability and the complexity of socio-economic measures aimed at improving the welfare of the population.

References