

## **Political Economy of Education: Statement of the Problem**

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Everybody knows what the system of education is. You know that today it is an integral part of economic system of any society. Each country has education system of its own. Today the modernization of any education system is closely connected with that of the economy of the given country.

There are **two aspects of the problem**:

### **TWO ASPECTS OF THE PROBLEM**

- **THE FIRST:**  
**COMPETENT AND SKILLED POPULATION**
- **THE SECOND:**  
**EDUCATION IS OF NO NEED.**

### **The first:**

Obviously we need to have the population of the country **competent and skilled**. Such was the position of the state in ancient Babylon and they invented cuneiform, in ancient China-hieroglyphs, in Europe letters, and brothers Kirill and Methodius created the Slavic alphabet.

### **The second.**

**Education is of no need.** There is no need of literate and intellectual population. The glaring example – is the USA, where 75 % of adult employee are functionally illiterate.

Naturally, we are interested in examining the first aspect.

The modernization of the education system, continuing now in Russia, does not inspire hope for its bright future.

It gave rise to a lot of deep contradictions in this sphere, caused much debate among the specialists and in the society on the whole.

## **THE MODERNIZATION OF THE EDUCATION SYSTEM IN RUSSIA**

THE MAIN **PROBLEMS** TO DISCUSS ARE:

### **I. FIRST PROBLEM** – definition of the place

three main approaches:

1. The education – nothing more than means of getting gains
2. The education is nothing more than the field that provides employee for high-tech material production
3. The education system is to insure the progressive development of the human being

### **II. SECOND PROBLEM** - the research of education

### **I. The main problems to discuss are:**

**The first problem**– is the **definition of the place** of education in the extended reproduction of society - and its significance to the economy of the country.

There exist **three main approaches**:

1. The adherents advocates of the first consider **the education – nothing more than means of getting gains**. The economy needs professionals and educated people and since the market creates demand for them they are reproduced.

2. The other group emphasizes that **the education is nothing more than the field that provides employee for high-technological material production**.

3. The third approach to **the education system emphasizes that in is to insure the progressive development of the human being**; the intelligent man is the true aim of social development, while the machinery and equipment, transportation, food, clothing are the main scope of implementation and development of creativity. The problem of wide implementation of contemporary high-tech technologies is the main in the contemporary geo-economic situation. But as for me, these high-tech technologies are to play and serve the basis of formation of really humane human being. The education forms the creative human potential, meanwhile health services, arts, recreation of nature technical and social creative work – are his main fields of activity.

As for me – I advocate the Education is the strategic instrument of the development of the society on the whole and of its each member. Political and economical development of the country is impossible without professional, cultural and civil development of population. So we say the education is necessary for implementation of these tasks.

**II. Second problem. One more discussed problem – is how to make the research of education** sphere: first we need to state what has been done up to date. The previous 25 years were characterized by continuous attempts to modernize the education system in our country: bachelorialisation, introduction of the Unified State Exams, development of state supervision and control in the sphere of education, monitoring, optimization of the network of the educational institutions, and so on.

However, all these have not led to progress, but rather to serious intra-crisis in education.

We wanted to do the best, but've got as usual.

In contemporary Russia the so called trade education system services has:

**First.\*** Ruined one of the best education system of the world

**Second.\*\*** And did not lead to the formation of a new more qualified system.

**To study the education spare we thing the methodology of Political Economy can be used.**

We proceed from the fact that Education is the main part of Economy creating the values and making possible the development of all essential human qualities. So it is necessary to study this sphere using not the criteria of effectiveness, but to its forms and substance.



**As to forms** – we mean the forms, needed to develop the education of the contemporary society – capitalist society. But we want to speak about the essence – the ideological influence of the teacher over the students. We'll focus on form only.

**The main parameters to study are:** the method of coordination, relations of ownership, appropriation and alienation, the method of income distribution, type of reproduction.

#### THE MAIN PARAMETERS TO STUDY ARE

- the method of coordination,
- relations of ownership, appropriation and alienation,
- the method of income distribution,
- type of reproduction

We will consider some of **the most significant aspects** of each of these parameters, taking as a basic example the system of higher education of post-Soviet Russia.

#### **The method of coordination.**

## THE METHOD OF COORDINATION

- **THE FIRST WAY** - the market forms
- **THE OTHER WAY**- a system of public order planning and regulation

**The first way** - the education system can be based on **the market forms of coordination**, where each educational institution is a separate agent that sells educational services and has the task of maximizing money income compared with the costs. In these circumstances, therefore, conditions of supply and demand for educational services set the basic parameters of development of education system.

**The other way**– is making a system of public order together with planning and regulation of the government.

For example we propose a model in which the state is responsible for the government funding of a significant (at least 50%) share of the seats in the universities. It also forms the "public order" to prepare at least a part of the professionals receiving education at public expense. For them to in such areas as education and training, sciences and art, nature recreation and so on.

Now about **the relations of ownership and alienation**. In this regard, there are **three typical university models**.

## THE RELATIONS OF OWNERSHIP AND ALIENATION

### THREE TYPICAL UNIVERSITY MODELS

Model of a state-bureaucratic university

Private university model

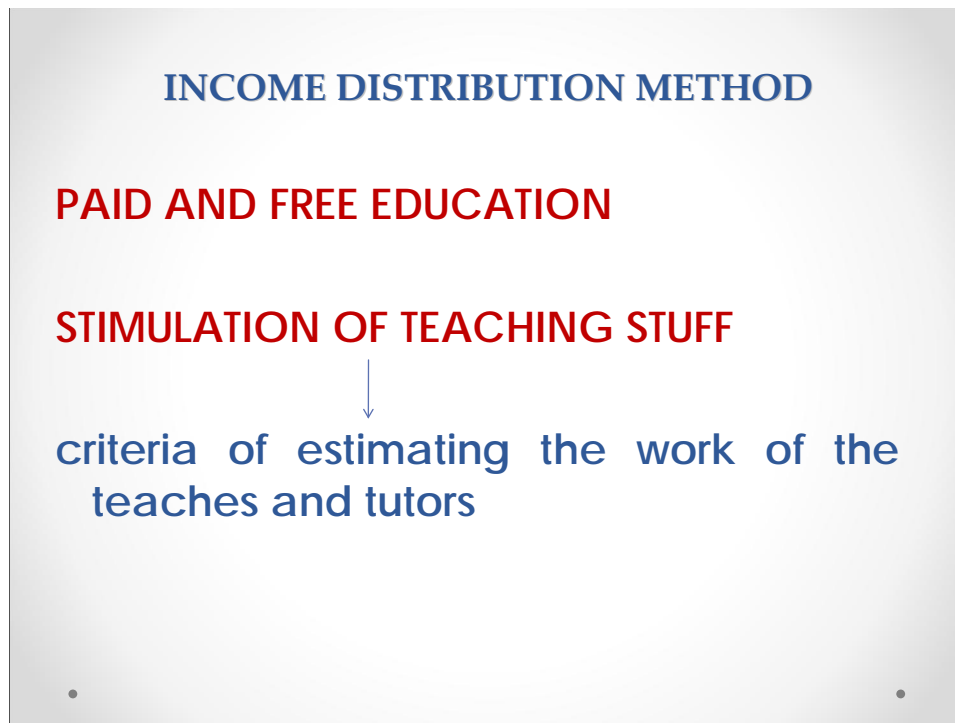
Public University model

1) **The model of a state-bureaucratic university** –an employee is employed and the government officials dictate the conditions of employment.

2) **Private university model** –an employee is employed and the conditions of employment are completely dictated by the owner.

3) **Public University model** - a system of relations in which the university self-government dominates. The teaching staff and students determine the university model and the basic parameters of its development and functioning. The state and the sponsors set some limitations of the spending and educational process. In this case the owner dictates minimum of the direction and trend of development of the educational organization. So we have minimized alienation here.

Now about the **Income distribution method**.



We see that the system of **social and economic relations** in the field of education primarily affects questions of 1) **paid and free education** for a user of education; 2) then comes the problem of 2) stimulation of teaching staff.

In the latter case, the problem of the level of wages and other incomes of the teaching staff and the parameters on which it depends on are among the most important issues.

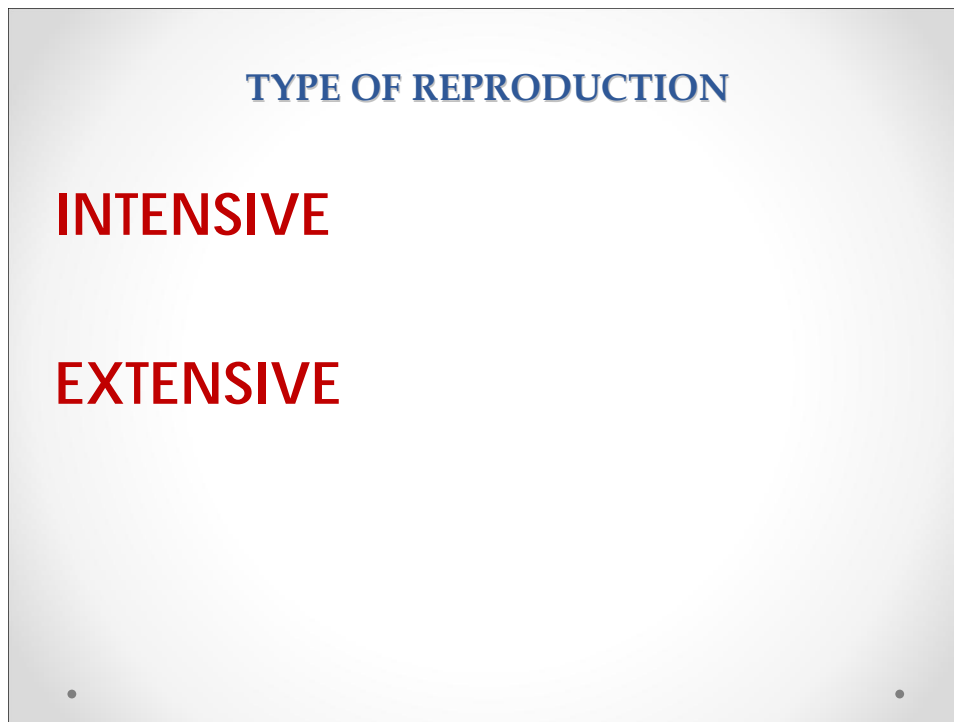
Here we find **the problem of defining criteria of estimating the work of the teaches and tutors**. Now in Russia they are in close connection with commercial results of university activities as they do it in Europe and the USA.

The actual creative content of education as a dialogue of a teacher and a student fades back. They are replaced with formalism, bureaucracy and mass falsification of meaningful results in reports. Thus as a result, in most cases, the highest incomes belong the better adapted to the conditions of the education market and better prepared to report on the formal parameters.

Now **the type of reproduction**. Some think it to be "eating away" of social resources; the others that education is as creation of the most important productive force



and implementation of the social and humanitarian goals and values of social development. Formally, in our country, a lot of attention is paid to it but as they say better to do well than to say well.



Nowadays the extended reproduction of education system can be intensive and extensive.

Concluding our short overview of the main parameters of the socio-economic relations in the field of education, we emphasize that at the present stage, the objective relations of production with significant internal contradictions are formed and there is a necessity for theoretical study and practical solutions.

Within the civil society institutions a number of specific recommendations for the development of socio-economic relations in the sphere of education are proposed, some of which became the empirical grounds for theoretical conclusions above.

I propose you to ask  
questions

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