

SECTION 7
DEMOGRAPHY, LABOR ECONOMY,
SOCIAL ECONOMY AND POLITICS

M. Avksientiev

*Candidate of Economic Sciences,
Doctoral Candidate of Science and Research Institute of Economics
of the Ministry of Economic Development and Trade of Ukraine*

**EVALUATION OF EFFECTIVENESS OF PLANNING
HIGHER EDUCATION DEVELOPMENT
IN THE GOVERNMENT REGULATION OF THE ECONOMY**

In the context of globalization and rapid changes, the highly skilled labor force with higher education is becoming major contributing factor. Knowledge is not only qualitative characteristic of the individual, but also valuable commodity that can be bought and sold. In information society, specialists who are able to adapt to changes quickly, take necessary actions to respond to internal and external factors of influence can compete in the labor market. The specialists who have extensive knowledge and meet the requirements of employers have these skills.

Unfortunately, the system of higher education in Ukraine provides low quality of educational services. Universities produce economists, financiers, accountants, lawyers, while the labor market feels a shortage of engineers, IT specialists, physicists and others. Higher education is still guided by Soviet figures, and, as years before, mechanically follows the previous government order. Universities are

outdated, they use old material assets, so students are not able to acquire knowledge with the help of the latest advanced technology.

These problems are those of great importance. Their solution is necessary to reform the system of higher education. Thus, this is not only about public universities, but about private as well. Reforms cannot take place only in the "office" of ministries. This process should involve all stakeholders: students, graduates, employers, experts on the subject, and a wide range of civil servants.

In order to implement structural changes, it is necessary to first conduct a qualitative assessment of the entire higher education system.

Development of effective methods and mechanisms of efficiency assessment in higher education regulation is highly important sphere of research, as it can bring positive results: increase of effectiveness of government order for specialists with higher education, more rational use of state budget

in the sphere of higher education, adjustment of labor market, decrease in youth unemployment and other. In order to assess efficiency of higher education regulation it is required to use the following methods: model of efficiency of economic effect, cost saving form, decrease of state support for unemployment, increase of tax revenues from working graduates. Besides, the forecast has been made on the basis of calculations of midterm state help for unemployment and average wage level. All this will provide the model of comparison of costs and economy, according to periods of time.