

# ICPS newsletter

## Ukraine Needs an Educational Reform Strategy

*Within society's general transformation toward democracy and a free market economy, education cannot be ignored. Education directly influences the formation of the human spirit and in this sense can facilitate the spread of liberal knowledge and trigger changes in society. Ukraine's public education system does not meet today's requirements for integrating into the world economy and developing civil society.*

*The International Centre for Policy Studies has launched a new project geared toward creating an environment suitable for making strategic directions and priorities in Ukraine's educational reform process.*

*Within the framework of this project, on 26 March the International Centre for Policy Studies hosted a seminar entitled "Contemporary Situation in Ukraine's Educational System and World Development Trends".*

Within the processes of globalisation and integration of countries into the world economy, a new approach to education and recruiting has been formed based upon the international nature of the educational environment and labour market. Ukraine still functions with its Soviet heritage of a closed and separate educational system. This denies young people the chance to obtain a prestigious education and career, and further impedes Ukraine's integration into the world community. Doctor of Philosophy Volodymyr Nikitin made this conclusion during his presentation at the seminar at the International centre for Policy Studies.

According to Nikitin, in contemporary society, education has become important business, a place for developing new humanitarian technology, a means of penetrating the world labour market. Ukraine has not developed either an educational strategy to meet world standards, or a policy for integrating into the world community. A "breakthrough" in educational techniques should play one of the leading roles in such a policy, which actually makes integration possible. Such breakthroughs, which appear in various aspects, cannot be secured by means of universal administrative reforms. In Ukraine, these reforms are still considered a means of streamlining administration, not as a basis for state-building strategy.

Educational policy needs a diverse educational environment. In present-day

Ukraine, educational policy is moving toward uniformity because the government sees no other method of preserving the high level of public education than by direct control over the national curriculum. World experience suggests that procedures, and not content, should be controlled.

Today's world, facing the need to reconcile different *Weltanschauungen* and ideologies from multicultural and societal conflicts and prevent them in educational programs, is looking to integrate organisational methods and not struggle with ideologies, as is still the case in Ukraine.

Educational policy needs to interact with several external forces, which takes time to form (this is an important direction of activity). However today, one can argue that Ukraine needs a new system of educational management, which would combine state and public components. The purpose of the new project at ICPS is to develop awareness of such a system of control over education in Ukraine.

Director of ICPS Project Development Yuri Lukovenko, while speaking at the seminar, emphasised that the objectives of educational reform in transitional countries must be:

- to modernise the content of education to meet internationally accepted standards;
- to decentralise the system of management which envisages several educational systems and technologies, and

### Last Week

**The Belarus Economic Model Is Hardly a Choice for Ukraine.** Despite certain economic achievements, the economic model of Belarus cannot be an example for Ukraine. This conclusion was made by John Hansen, Economic Advisor of the World Bank Office for Ukraine. Mr Hansen delivered his presentation "Roads to Riches or Roads to Ruin — Experience of Ukraine and Belarus" at the macroeconomic seminar at the International Centre for Policy Studies on 23 March. Mr Hansen emphasised that without comprehensive economic reforms, sustainable economic growth was out of reach. This is equally true for both Belarus and Ukraine. Belarus recorded real economic growth of 2.5% in 1996, 10% in 1997 and another 10% in 1998. Though this growth cannot be judged sustainable because it was achieved through distribution of funds via the banking system to produce inflationary financing of the economy. In fact, Belarus retained the command and administrative system of economic management. Under this system, banks fully controlled by state channels printed money in the form of loans to enterprises selected by the state. It is natural that this system cannot be considered efficient because of the following reasons:

- uncontrolled increase in money supply leads to aggravation of the tax burden on economic agents by means of inflationary tax. The "revenues" of this tax are redistributed in favour of enterprises which are lent money. Such a situation impedes economic growth by hampering the development of all national enterprises except for those arbitrarily chosen by the government;
- monetary expansion leads to growth in prices. Inflation in Belarus was 50% YOY in 1996 and grew to 60% YOY in 1997, finally reaching 70% YOY in 1998. This trend of constantly growing inflation proves that the Belarus economic model is neither efficient nor sustainable;
- state interference with the economy causes ineffective distribution of resources (since prices do not reflect supply and demand) and shortages of certain goods primarily of wide

consumption. This directly erodes national living standards. So one can conclude that the Belarus economy does not serve the consumer, just as the economy of the former Soviet Union. Such an economic system cannot survive in the long-run as proves the fate of the USSR;

- existence of a few enterprises closely linked to the government which receive ample loans causes the emergence of influential groups interested in defending the *status quo*.

Under such conditions, any hope for radical economic reforms and democratisation of both the economic environment and the country's political regime becomes even more unlikely every year. This denies any possibility for Belarus to implement a more stable and sustainable political and economic model in the near future.

**Regional Industry Sector Clusters.** New issue of the ICPS monthly publication the *Policy Studies* was printed. This issue is devoted to two basic subjects — regional development and cluster model of development. The regional development approach to stimulating economic expansion has been in global progress for several decades. Regional development occurs within natural economic zones and is not confined to Oblast borders. It is common economic interests and mutual dependency that forms the basis for united effort. The spread of the cluster pattern of industry sector development has been observed on all continents and in states with economies in varying stages of maturity. The formation of industry sector clusters within geographic locations is a well-known pattern. Such cluster names as Silicon Valley, Ruhr, Bordeaux and Sheffield have become synonymous with centres of regional craftsmanship and commerce.

## ***This Week***

**Development of the Ukrainian Economy in the First Quarter of 1999.** The macroeconomic seminar to be held at the International Centre for Policy Studies on 30 March will be devoted to the subject "First Quarter of 1999 — Macroeconomic Review. Lessons and Expectations". Presentations will be delivered by Tamara Lebedeva, Head of the Main Department of Macroeconomic Forecasting of the Ministry of Economy of Ukraine and Ivanna Nevidomska, Head of the Department of Updated Monitoring, Main Department of Macroeconomic Forecasting of the Ministry of Economy of Ukraine.

helps attract new resources into the educational sector.

Considering the experience of the Newly Independent States, the following tasks for Ukraine's educational reform can be determined:

- reform the system of financing;
- decentralise management;
- revise curricula;
- reform the teacher training system;
- ensure transparent, equitable and equal education conditions;
- institute general public control over educational processes.

In Ukraine today, the government remains the only active participant in educational system reform. The effects of such "singularity" lead to a lack of public dialogue, loss of communication, analysis of mistakes and accumulation of experience.

Managing education under the new conditions of economic transition is a very complex task and much more intellectually intensive and risky than any attempts to rescue the obsolete system using well-known techniques. Ukraine continues to manage its educational system by the Soviet-style planned administrative distribution of resources. In light of the fact that the conditions of tasks have changed and old algorithms of activity no longer function, a framework still has not

been set up to determine state policy for managing education.

Until today, no criteria have existed for selecting educational projects to be financed from the state budget. Such criteria can be developed not by the government, but by the public. The objective of state management over education should lie in servicing this process of the public determining strategic priorities of education.

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*"Contemporary Situation in Ukraine's Educational System and World Development Trends". The International Centre for Policy Studies, 26 March 1999.*

*This seminar was chaired by Mrs Natalia Yakovenko, Ph.D. in History, President of the Association of Researchers of Central and Eastern Europe.*

*Speakers included Mr Volodymyr Nikitin — "The Present Day Situation in Education in Ukraine and Educational Systems of the World"; Mrs Alla Vasyliuk, Senior Lecturer at Nizhyn Pedagogical Institute — "Results of Educational Reforms in Poland"; Mr Yuri Lukovenko — "Reforming Education in Ukraine with Regard to the Experience of Central and Eastern Europe"; Mrs Natalia Yakovenko — "Problems of Modern Education in Ukraine".*

*The International Centre for Policy Studies invites local and international government agencies, public non-for-profit organisations, companies and individuals to co-operate with ICPS in the new "Strategy for Reforming Education in Ukraine" project.*

*We aim to facilitate a more sound formation of policy in education through the organisation of seminars to determine strategic objectives and resources for reforming the educational system in Ukraine.*

*During the initial stage, we propose a series of four seminars devoted to determining the priorities, organisational framework and tasks of educational policy.*

*Results of the project will include:*

- determining the problem of transforming education in Ukraine;
- strategic goals for educational reform;
- technical tasks for the next stages of the project;
- forming work groups to execute technical tasks;
- disseminating written reports on the seminars (for all interested organisations or individuals).

*Proposed subjects of the four seminars:*

1. *Contemporary Situation in Ukraine's Educational System and World Development Trends (held on 26 March).*
2. *Ukraine's Contemporary Educational System as a Social Model*
3. *Basic Foundations for Educational Policy in Ukraine*
4. *Education and Modern Development Trends in Science and Technology: Working Out a General Strategy to "Intellectualise" Ukraine*

*Contact person at the International Centre for Policy Studies — Yuri LUKOVENKO, Director for Project Development, tel. 463-5967, fax 463-5970.*

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Address: The International Centre for Policy Studies, 8/5 Voloska Street, 254070, Kyiv, Ukraine

Phone (38044) 462 4937/38/58

Fax (38044) 463 5970

E-mail Office@icps.kiev.ua

To be included into the distribution list mail to: marketing@icps.kiev.ua

ICPS Newsletter is published by the Publications Group of the International Centre for Policy Studies

Publications Director Hlib Vyshlinsky (Hlib@icps.kiev.ua)

Editor Yuri Yasmo (Yasmo@icps.kiev.ua)

Phone (38044) 463 6337

Copy editor Bess Lincourt

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