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HIGHER EDUCATION: A COMMODITY OR A PUBLIC GOOD

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Traditionally, education has long been seen as a public good, creating a set of external effects that provide a benefit not just for the students but also for society as a whole.

However, in recent years, the development of international legislation on trade in services has called into question the well-established idea that higher education is a public good. The idea of the need to legitimize the sale

and purchase of education as a commodity intended for trade is increasingly spreading [1, p. 450].

The emergence of the international trade in educational services and globalization processes have only given credence to the idea that education is a commodity. This found its expression mostly in Eastern Europe, as well as in most English-speaking countries, the Organization for Economic Cooperation and Development (OECD) and China [2, p. 131].

Higher education is subjected to the significant impact of both national and international trade, their interests being represented in the World Trade Organization (WTO) and the General Agreement on Trade in Services (GATS), the institutions established beyond the United Nations system. This has led to higher education being seen as a private commodity influenced by national and international markets [1, p. 450].

Studies have been conducted to provide an answer to the question whether higher education is a product or a public good. They showed that there are at least four reasons for discrepancies in public / private distinctions in higher education and in other fields.

First, the public / private categorical apparatus is widely used in the activity areas (public and external sectors), financing sources (state, household or private enterprise), and the nature of the activity itself. Since the central focus of the study is higher education, one should distinguish between social / private in terms of the social nature of learning activities, and the understanding of the "public" - as the public sector.

Secondly, the difference between public / private in different countries of the world is different depending on political culture. There are different views and practices of the "public/social", "private", "society" and "state" in the Nordic countries, in the German ordoliberalism, Anglo-American society and Chinese civilization tradition with its strong family structure. The public / private balance of expenditure is very different in national systems that are often similar in other respects, and it reflects a variety of assumptions about the contribution and responsibilities of the state, families and students in higher education [3, p. 2].

Thirdly, social / private concepts differ in social sciences, from economics to different trends in political and communication theory.

Finally, there has been a steady and dominant perception of the notion of public good or public interest in Anglo-American social science over the past half of the century, and it partially overshadowed the public dimension in higher education and other sectors.

Neoliberalism introduced a new regime of regulation or the form of government in the field of higher education. To understand this, one must understand that the liberal welfare regime maintains fundamentally different assumptions at the level of politics and economic theory, as well as at the level

of philosophy. The central defining feature of the new mark of neoliberalism is the revival of many provisions of classical liberalism, especially classical economic liberalism. Basic assumptions of neoliberalism are as follows:

- Self-interested person: people are viewed as economically interested actors. From this perspective, the person was presented as a rational optimizer and the best judge of their own interests and needs;
- Free market economy: the best way to distribute resources and opportunities is through the market. The market is the most efficient and morally fair mechanism;
- A commitment to non-interference: a free market is a self-regulatory order, it regulates itself better than a state or any other external force. In this aspect neoliberals demonstrate a clear distrust of the state power and seek to limit it within the framework of a negative concept, limiting its role in protecting personal rights;
- Free trade commitments: cancellation of tariffs or subsidies or any other form of state protection or support, as well as support of a floating exchange rate and an "open" economy [4, p. 314].

Thus, Anglo-American policy in higher education focuses on private benefits for students and graduates. This mainly concerns higher earnings, individual choices and consumer satisfaction. The emphasis on private benefits, which is consistent to a greater extent with a marketing approach, has encompassed many higher educational institutions and is used to substantiate a steady increase in tuition fees. The social aspect is defined narrowly and in terms of a market economy, in which individual preferences constitute a priority. Thus, the main social role of higher educational institutions is seen as their contribution to profitability, innovation and economic growth. Neoliberal governments have no desire to identify, control, measure (where possible), and regulate the collective effects of education such as social literacy [3, p. 3].

In social policy, the contribution of the higher educational institutions to social justice is considered to be core. Other social contributions are often considered as a side effect of the benefits of graduating. Such an approach reduces the fiscal burden of the state, but also reduces the share of social institutions and increases the risk of not providing public goods [3, p. 3].

In *The Pure Theory of Public Expenditure*, Paul Samuelson defined the concept of the public and private sector, which is dominant in economic policy today. Public goods are defined as non-competitive and / or non-exclusive. The goods, when they are defined as non-competitive, are consumed by any number of people and are not exhausted. The benefits are non-exclusive when access to them cannot be limited to individual buyers. Private goods are neither non-competitive, nor non-exclusive. They can be produced, packaged and marketed as individualized products in the markets.

Public goods and partly public goods are produced unprofitably and require state funding or charitable support. They do not necessarily require full state funding, but may be produced in public or private institutions [5, p. 387-389].

P. Samuelson's concept of public and private goods has created the basis for the following variations, such as: the benefits of shared use, competitive but not excluded; "club goods", exclusive, but not competitive; and "customs goods" that are accessible to all but specific groups of the population and are non-competitive within the group. Public goods are goods that are produced in both the private and public sectors, which are competitive and exclusive, but are funded by the state, since otherwise there will be a shortage of these goods. Despite rather generalized conditions, the definition of P. Samuelson is not universal, since it cannot be applied to all societies, but rather embodies the norms of a capitalist society that corresponds to the idea of an "institutional world".

Among the capitalist societies, John Locke's or Adam Smith's concept of the limited liberal state and the "zero sum" between the private and social are most commonplace. In such societies, state economic entities view private business as the default manufacturer, except in cases of market failure with respect to the production of important goods. This political approach increases the opportunities for trade and capital accumulation, while providing a simple distribution of funding for such fields as higher education and research. The government finances the goods to the extent that the market does not. Samuelson's definition of the public / private correctly defines the market failure as a basis for fixing the minimum required level of public spending on education and research. However, its definition is simplified and has certain gaps.

First, this definition is separated from the historical events. Whether the good is public or private is determined in accordance with the nature of this good: universal, unchangeable and not context-related. It is right sometimes, but not always,. This is right in relation to sunlight, which is always a public good. But this is wrong when the character of the good is determined by politics or state system, as is the case with higher education [3, p. 5].

The second problem is the assumption of a "zero sum". This is the idea that if the good is not social, it should be private, and vice versa. Under certain circumstances, public goods and private goods are not goods substitutes, but rather complementary. For example, the fundamental research of the university, together with its links with commercial and non-profit organizations, generates both public goods and private goods directly and indirectly. The policy differs from the fact that higher educational institutions are funded on the basis of a zero-sum distribution between public and private costs and benefits, as in the UK; or higher educational institutions

are funded by taxation as a universal service with private benefits, as in the Nordic countries. A zero sum or a positive sum is a political choice.

The third problem is that the definition of P. Samuelson does not solve the majority of problems associated with the public goods, which, as a rule, go beyond the boundaries of the economy, are hardly limited, investigated, measured and evaluated under shadow prices. The naturalistic formula by Samuelson is not able to clearly observe the regulatory aspects. The economic definition of public goods by P. Samuelson differs according to the standard assumptions of the economists. Neoliberal economists tend to mitigate the market failure for collective goods, or they assume that private investment will generate the necessary public benefits with the help of the spillover effect. Social democrats and endogenous growth theorists are talking about increasing potential of public goods and public investment.

All three of the mentioned problems are correlated. Despite the definition of P. Samuelson, products manufactured on the market, and non-market goods are not the two sides of the same coin. They do not have a common ontology. Market public goods should be viable in the current market of transactions, and state social goods should be politically viable, they are created under the influence of many factors, in addition to the market failure. We can make a conclusion that the definition introduced by P. Samuelson is too brief [3, p. 6].

John Dewey gave the most influential definition in political science about the distinction between the public and the private as state and non-state. In Dewey's book "Society and its Problems," Dewey notes that while most social operations fall into the private sphere, some concepts are perceived as social, because they have a broad "public interest" and are turned towards society. A social transaction can become "social" when it has indirect consequences for others, then people outside the group will be directly involved in the transaction. According to Samuelson, higher education is only a public good by its nature, if it cannot be provided by the market. For Dewey, any or all aspects of higher education can be both public or private. Potentially education or research have a comprehensive impact when they affect a sufficient number of people. Even privately owned commercial higher education is a matter of public interest if people and the government determine what it should be [3, p. 8-10].

In order to answer the question of the essence of higher education from the point of view of the topic of this study, the features of higher education, which can be attributed to both the public good and the commodity, were analyzed.

Thus, what features of higher education allow to assert that it pertains to the public good? To answer this question, it is advisable to analyze the main features of public goods once again.

Economic thought determines public goods as being non-exclusive and non-competitive. Non-exclusivity means that such goods cannot be provided exclusively to someone and cannot be excluded from consumption. Non-competition means that the consumption of goods by some people does not reduce its consumption by others. Public goods create a large number of externalities. They are accessible to everyone alike; the marginal utility is equal, and the marginal costs for the production of the public good are zero. It is also a commodity of collective consumption. Economists share public goods that strictly satisfy all of the above conditions as pure public goods, and other public goods that do not necessarily fully satisfy all the conditions, are treated as semi-or quasi-public goods. Moreover, if the benefits of public goods are geographically limited, they are called local public goods, and public goods, the benefits of which are aimed at the whole world, are called global or international public goods. Private goods are different, they do not satisfy any of these conditions.

An important feature of public goods is that their production is funded by the state at the expense of total incomes and does not necessarily rely on prices or any other revenue from users. Therefore, the personal or market provision of public goods is impossible, and even if it is possible, it is ineffective. In addition, public goods are generally available to everyone and they are not subject to competition. In fact, public goods that are subject to economy at scale are better provided by the state as a monopoly than by many producers [1, p.451]. If a product or service can be defined as a public one, then it must be "accessible to everyone" and nobody can use them because of the lack of resources. In practice, the situation is different: access to education depends on the place of residence, the size of the income and, ultimately, the mental capacity, which, in turn, shows that higher education is a commodity.

Some scholars argue that higher education cannot be regarded as a public good, since it does not satisfy one of the first two demands, namely, non-exclusivity and non-competitiveness [1, p. 452].

J. Stiglitz argued that knowledge is a public good since higher education and research fulfill all characteristics of the public good. For example, the theorem is non-exclusive, since as soon as it is published, no one can be excluded from reading and using it, and non-competitive, since the use of the theorem will not affect the use of it by others. It is impossible for the knowledge to become a commodity, because the seller does not lose it by selling it. However, such an argument is based on a mistaken perception of the nature of property. Ownership is not a thing, but rather a set of rights, a social institution. Moreover, in the modern era, it makes no sense to speak of property as a social institution, not to mention the legislative nature of the nation-states. In the modern sense, there is no property without nation-

states [6, p. 402]. It is worth noting that access to many scientific treasures is limited by copyright and patent laws, a free product accessible to everyone becomes something expensive or inaccessible because of geographic location, providing rent for copyright owners or patents [2, p. 137]. As J.Styglitz noted, there are two critical properties of public goods: it is impractical to allocate public goods, and there is no desire to make such an allocation. Although it is appropriate to distribute access to higher education, it is impossible to distribute the benefits of higher education. Eliminating the poor from education consumption will lead to loss of capital and efficiency in the economy. Thus, education, namely higher education, satisfies all three main features of public goods: non-exclusivity, non-competitiveness and the creation of external influences. Other public benefit functions, such as "free-riders", are also relevant to education. Higher education is also associated with asymmetric information, especially as regards incomplete information about quality. In addition, higher education institutions have several goals, and they are not only economically viable. They also produce various output products, some of which are tangible, and many others are not [1, p. 452].

Traditionally, the functions of higher education constitute the basis of life of the societies. First and foremost - higher education helps in creation, improvement, absorption and dissemination of knowledge through research and education. It has been established long ago that universities are a cradle of ideas, innovations and development, and gradually they become a reserve of knowledge. Secondly, higher education promotes the rapid industrialization of the economy by providing human resources with professional, technical and managerial skills. In the context of transforming society into knowledge society, higher education provides not only skilled workers but also workers prepared for the new knowledge that is necessary for the rapid growth of the economy [7, p. 21-22] The supporters of the theories of endogenous economic growth argue that the groups of well-educated people who work together are more productive rather than if they all worked individually with less educated people. E-mail and the Internet are an example of this. Knowledge, which is free to access, has a great influence on overall productivity [8]. Thirdly, universities are institutions that help shape the person's character and morals; they embody ethical and moral values, formulate well-behaved habits and make possible changes in the views that are necessary for the socialization of individuals, encourage the modernization and general transformation of society through protection and strengthening of public values. Fourthly, higher education also helps in the formation of a strong nation-state, promotes the development of democracy by educating active citizens who participate in the civil, political, social, cultural and economic activities of a society that understands, interprets, preserves, strengthens and promotes national, regional, international culture

and history, in the context of cultural pluralism and diversity. It also has the potential to produce high-level social and political leaders [7, p. 21-22]. At the very end, recent studies have revealed many non-monetary benefits from higher education: longer life expectancy; reducing alcohol and tobacco consumption; less probability of obesity; more likely to be involved in prophylactic health care; better mental health; better general health; greater satisfaction with life; less crime; greater propensity to vote, volunteering, trust, and tolerance. Almost all of these provides wider social and individual benefits [9, p. 9].

In addition, higher education promotes the development and improvement of education at all levels and allows people to enjoy the expansion of the "life of mind", offering wider cultural and political benefits, and thus serving the public interest. An important component of public interest in higher education is its role in creating a meritocratic society capable of educating the best political leaders, civil servants, doctors, teachers, lawyers, engineers, and business and community leaders at the same time [10, p. 37-39].

However, the study of the essence of higher education showed that there is a rapid change in the paradigm of higher education. Even in economically prosperous countries, higher education systems are in a state of strong financial constraints: on the one hand, an increasing number of students, and a chronic lack of public funds on the other. In recent years, in most countries, this has led to serious consequences, caused by the reduction of the state allocation of higher educational institutions, respectively, and the cost per student [1, p. 456].

Externally, universities are increasingly approaching private governance models and public sector corporations. The structural subdivisions of universities turn into centers of financial responsibility, whose heads are executives coming from the private or public sectors. Regardless of the different views on the advantages and disadvantages of such changes, transforming education into goods is a reality in which scientists have to live.

Proponents of education modification movement argue that this process will transform higher education into a more flexible and efficient institute. Expansion of the market in the audience will provide better value and quality, and the university sector will become more efficient and more responsive to the needs of society, economy, students and parents. The political direction of creating a market for higher education is fundamentally ideological. However, the transformation of education into goods does not necessarily lead to the creation of a market for the sale and purchase of academic education. Indeed, it is not always clear what is being bought and sold. In this way, conditions are created for the institutions to compete for resources and funding. It is important to understand that the transformation of education into goods is

equally a political, ideological process as an economic phenomenon. For example, governments often contribute to a well-defined policy through a market economy. This tendency is not a triumph of a free market economy. Indeed, it can be argued that the market-based trade in education has led not to a decrease but to increased interference and micro-management of university life. Governments are desperately mobilizing students and their parents to choose a university under pressure from the market and marketing tools. According to the logic of the market, the customer is always right, so universities are guided by the interests of students, and not the academic community [11, p. 1-3].

Another important factor contributing to a radical change in thinking about the nature and role of higher education is the use of neoliberal economic policies for stabilization, structural adjustment and globalization associated with the International Monetary Fund and the World Bank. Neoliberalism, as well as liberal neutrality, is insolvent and extremely inadequate in the management of social practices, especially in the case of higher education. Such a policy undermines the role of the state and involves eliminating the influence of the state, as well as the liberalization and privatization of several social and economic sectors, including higher education and even social security programs. This policy also clearly contributes to the growing role of markets. The treatment of higher education as a product received great support from such politicians and organizations. Liberal policies have been introduced in almost all developing countries, and even in many developed countries, where there is reasonable justification for reducing public funding for higher education. Higher education, as a commodity of international trade, is capable of generating a huge amount of profits for exporters of education [1, p. 456].

Many governments of exporting countries have encouraged higher education negotiations under the GATS and WTO, since trade in higher education is essentially seen as an important source of income for universities, thus reducing the obligation for governments to allocate most of their resources. For example, even some of the best universities in the world, such as Oxford and Cambridge, seen as the gold standard in higher education, are involved in business, trading and selling their degrees to students abroad [1, p. 457]. Creating the General Agreement on Trade in Services (GATS) reflects the formalization of the market processes, driven by the growing need for independence of public institutions and the procedures for international trade in services. The GATS covers all international services, including education. Within the education sector, GATS covers the following categories of education services: primary, secondary, higher, adult and "other". GATS education trade takes place in four modes: cross-border supply of services (where consumers remain within their own country);

consumption abroad (where consumers cross the border); the commercial presence of a provider in another country (institutional mobility); the presence of persons in another country (staff mobility) [12, p. 9]. The GATS considers public goods as commercial goods and even global public goods as global commodities intended for trade and profit. It is equitable to fear that the nature of the benefits of general consumption will be revised and that public education will be a commodity for which GATS will provide a political and legal basis for deregulation and privatization [12, p. 58]. The transformation of education into commodities leads to a mass privatization of education that increases tuition fees and growing inequality because of the access restrictions. Moreover, as the driving forces of the national state and state control over higher education are reduced, the ability to plan the education sector for national needs will completely disappear, as education will be formed in the markets to meet the needs of the market, and international trade will prepare people to meet the requirements of the labor markets of the developed countries [12, p. 62]. Entry to the domestic market of foreign private institutions may also have a negative impact on domestic government institutions, especially in developing countries, which are not necessarily competitive and not fully oriented to the needs of the market and often serve the national interests of more influential countries [12, p. 65].

As a rule, it is stated that international trade in higher education is beneficial both for exporting countries and for importers. Importing countries have access to a high-quality higher education system, and exporting countries are gaining economic benefits, in addition to receiving academic payments. However, as practice shows, developing countries have both economic and academic losses, whereas rich countries can only have economic benefits.

Individuals with average and higher incomes are more likely to profit from the state financing of higher education rather than low-income groups, thereby exacerbating uneven distribution. Although this argument is true to a certain extent, the situation in developing countries is changing rapidly: access to higher education is no longer limited to middle-level groups, and the level of engagement of poor social and economic groups is increasing, albeit slowly. On the other hand, the adoption of neoliberal arguments on state funding for higher education and the withdrawal of state will reduce the participation of socio-economically weak sectors of society in higher education and will further emphasize their inequality in accessing higher education services [1, p. 459]. The transformation of education into goods and its internationalization leads to the brain drain and a serious shortage of skilled labor in developing countries. Higher tuition fees paid by foreign students, relatively low wages in their home countries, and better job markets in developed countries will even more potentially contribute to the brain drain [12, p. 65].

With regard to academic research at universities, there is a steady increase in private interests. Knowledge, which is essentially non-exclusive and non-competitive, has been privatized. An argument for the privatization of codified knowledge is the possibility of obtaining high benefits, which in the future encourages more investment in research and creativity. [2, p. 139]. In a broader sense, the transformation of knowledge into goods in the field of higher education is one example of the "second movement of the corpus". The first movement began in England in the fifteenth century, and this is especially true in the process of moving away from the jointly-owned land and turning it into private property in different ways and means of the state-involvement. In the center of the "second movement of the corpus" knowledge (instead of land) is regarded as a private commodity that is subject to commodity registration. Reflecting this, Radder implies that the redeeming of academic research can be seen as part of the "economization, or economic instrumentalisation, human activity and institutions, or even the goals of the social subsystem" [6, p. 400].

Thus, it remains ambiguous whether higher education is a public good or a commodity. Studying at high school is usually a combination of both. Public goods include individual non-market benefits and acquired knowledge that is not excluded or non-competitive. However, when studying creates additional value, it acquires a new feature, which is competition. Apart from that, admission to higher educational institutions with high demand is exclusive. This creates prerequisites for higher education market emergence. The transformation of higher education into goods is caused by the need for institutional independence of universities, as a consequence of neoliberal policies, trade agreements, and bolstered up competition [13, p. 29].

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STUDENT CLUB ORGANIZATION AS A PROJECT IN THE ACTIVITY OF THE SOCIO-CULTURAL SPHERE MANAGER

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Socio-cultural project as a special form of organization, allows you to attract resources, systematize the competent actions of professionals, maintain relationships between different structures, enterprises and organizations, to act as an effective modern management model. Project management means organizational measures aimed at developing certain stages that contribute to the effective solution of problems and tasks, as a means of direct interaction, resource potential, a specific systemic form of