

ABSTRACTS

УДК 37.014.543 О. Tulai

STATE FINANCING OF EDUCATION: ROLE AND IMPORTANCE UNDER FORMATION
CONDITIONS OF SUSTAINABLE HUMAN DEVELOPMENT PRINCIPLES

Educational potential development of a nation as a principal part of sustainable human development is a primary mission of a state. The distinguishing characteristic of education is its transformation into differentiated multi-layered system aimed to stimulate an individual to sustained improvement of his/her knowledge and skills.

Nowadays our national educational system must be oriented towards knowledge economy. In such economy knowledge enriches all branches, all sectors and all members of economic processes. Therewith the economy uses knowledge in different forms as well as creates it as scientific and high-tech production, innovations, highly qualified service, education and competencies. If to ignore this, it may lead to displacing of Ukraine from the high-tech production market and, as a result, it will slow down welfare increasing of the nation.

In order to have a perfect educational system and well-trained staff the state should invest in this sphere considerably. In our opinion, protectionism and state government funding play a crucial role in education. That human potential competitiveness depends on public funding of education. We consider public funding of education as an expenses maintenance process with budget funds of educational institutions activities based on planning principles (the funds are transferred at the stage of budget planning); targeted use (using of funds is possible only for specifically defined objectives and activities); irreversibility (the recipients of funds have no obligation to return them) and appropriateness (rational use of budgetary funds) in accordance with the principles of sustainable human development.