

THE ROLE OF THE STATE IN FINANCING THE HIGHER EDUCATION SYSTEM

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Abstract

The higher education system faces conflicts between high technology, skills, experience and fulfillment of state obligations within financial constraints. What distinguishes higher education from primary and secondary education is that it can operate according to the laws of the market economy. The importance of mutual competition and the price factor in it justify the emergence of financial management as a necessary category in the system. Financing the higher education system is intended not only to develop human capital, but also to strengthen the country's reputation in the geopolitical field in the long term. In the 21st century, the world economy and global relations have become a system that requires radical changes and a very skillful approach and experience. This, along with the requirement for high knowledge and skills, has created the basis for the emergence of completely unexplored requests for higher education.

At the same time, the emergence of artificial intelligence theory and the tendency to its widespread use in the fourth stage of the industrial revolution have shown the relevance of a fundamental rethinking of financial decision-making in the higher education market. The above-mentioned cases require the study of two important factors in the higher education services market. These are the criteria for paying for services or making financial decisions, and secondly, the revision of the system of indicators that determine the quality of education. Therefore, although the role of the state in financing higher education was high, the private factor is the main factor in its further optimization, but we believe that strengthening the quality of education requires formation on the basis of a general factor.

In general, we want to focus on the financing of the higher education system and some aspects of the role of the state in it. When the higher education system reached the initial stage of development, the importance of the state budget was high. Even today, although many countries retain ownership of higher education institutions, they have managed to introduce many private

factors into their financing mechanisms. According to our research, the financing and quality of education should be related to the coverage of higher education in a country. However, achieving all of this at the same time is definitely difficult. In this case, we can see the following cases: - high coverage of higher education and an incomparable role of the budget, but the fact that it is difficult to achieve quality education in such a wide audience; - high quality of higher education and tax financing, but low coverage; - high quality and large coverage create a large financial burden on the state budget. Bringing the level of coverage of the country's youth to full scale and ensuring quality in the higher education system creates a large financial burden on the state budget. In order to achieve a stable level of the three categories mentioned simultaneously, a fourth indicator is added. We believe it is important to increase the role of private financial sources and implement reforms aimed at ensuring the full financial independence of state higher education institutions. In general, the share of the state budget in covering higher education costs is one of the main indicators that the GDP is relatively high or stable. For example, in some developed countries, public budget expenditures of around 2-3 percent of GDP indicate high levels of enrolment in higher education. This is due to the large scale of efficient use of private resources. In our opinion, the fact that the share of budget expenditures in relation to GDP is high in Uzbekistan is the reason why higher education coverage remains low. One of the main reasons for this is that the state budget is not fully capable of allocating large amounts of funds, and the mechanisms for using private resources are not fully implemented.

Also, if increasing the volume of funding for the higher education system is a pressing issue of our time, it is important to increase the volume of extra-budgetary funds in its structure. In this regard, these include the scientific works of a number of scientists and researchers, whose scientific findings were studied above. At the same time, the fact that the higher education system is becoming a decisive factor in strengthening the stability of the national economy once again confirms the relevance of this issue. Therefore, it would not be a mistake to say that ensuring unlimited needs through the effective use of limited resources in the economy is a constant focus of scientific research. For example, assuming that human potential is inexhaustible, enriching it with knowledge and skills acquired in higher

education can reduce the relevance of limited resources. For example, in developing countries, the number of people with higher education is 3% of the employed population, 20% of the population in industrialized countries, and 60% in the knowledge economy. Notably, 80 percent of the employed population in the knowledge economy has a higher education. These figures reflect the importance of focusing on higher education.

As a conclusion, we can say that, as we noted above, at the level of coverage of the population by higher education services in a national quality, financing by Dalvat can create a large burden on the budget. This means that providing higher education at the expense of taxes can threaten the overall quality of higher education. We believe that tax financing can have a positive effect when the coverage of the higher education system is small. From this point of view, defining the implementation of state financing of the higher education system in the form of specialization also gives its positive result. If the growing need for state budget funds requires the use of elements of a market economy in the sphere of higher education, then the financing of social issues of the second and first levels becomes a priority. Examples of this are such development trends as the growth of demand for school education, the increase in expenditure on the pension system and the introduction of a compulsory health insurance system.

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Date: 29th September 2024

Website: <https://eglobalcongress.com/index.php/egc>

ISSN (E): 2836-3612

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