

Is university education an indispensable socio-economic requirement or is it just academic perceptions

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Abstract:

University education is one of the most important things that must be reconsidered currently, as it is an existential requirement and an individual self-ambition that is on the one hand and on the other a social requirement, as it is a developmental social investment on which the state bets on giving high University formations, so the university must be, through its modern perspective, a system that is completely open with society by identifying its needs and problems that the university must take to solve and address when setting its goals and drawing up its educational policies, because it calls for strengthening the economic and social outlook as a real investment with a social return, including the productive sectors other.

Key words: University education, social requirement, developmental social, real investment.

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1. INTRODUCTION

The university is considered one of the most significant institutions that contribute to building the edifice of societies. Therefore, it is among the most important matters that need to be reevaluated at this time. Education, amidst the transformations currently witnessed by university education, does not only touch upon its institutional structure, its system, and its relationship with its surrounding environment, especially the economic one. It also affects its functions, roles, and its cognitive, educational, and cultural values. This places a responsibility on its shoulders to ensure the provision of globally recognized qualifications and to offer significant opportunities for professional integration, considering it a fundamental existential requirement. This is because it is an individual ambition in the first place, and from another perspective, a societal demand, as it is viewed as a developmental social investment that the state counts on by providing high-quality university education aimed at qualifying graduates for integration and participation in the workforce. Especially since the survival of society wholly depends on universities and their outputs. Since university education means scientific research, it is required to keep up with the rapid global changes and transformations in various fields. Consequently, the state has devoted considerable attention to it by directing massive financial resources towards education and universities across the nation to alleviate its burdens on all Algerian citizens, making it free. However, this has led to negative outcomes, resulting in a decrease in the efficiency of its outputs and a mismatch between those outputs and the developmental needs, increasing its cost on the state and rising unemployment rates among its graduates, and its failure to keep up with rapid global technological developments. Hence, it was necessary for governments and individuals to increase their spending on education due to the financial returns to be gained from education, regardless of the non-

material returns. To achieve its goals and objectives, it must interact and exchange its data with the requirements, data, and variables of society. Therefore, the university, through its modern perspective, must be a system fully open to society by identifying its needs and problems which the university should consider in solving and addressing when defining its objectives and drawing its educational policies, as it calls for reinforcing the economic and social outlook considering it a real investment with a social return, just like other productive sectors.

The objective of the study : Among our objectives in this article was to attempt to highlight the importance of university education for the national economy, given its role in increasing growth rates and economic development as a form of investment in human capital that yields economic and social returns. This is achieved through the outputs of the university, on one hand, and on the other hand, by exploring ways to optimally exploit human resources in light of economic processes and methods, using efficiency and productivity standards to correct existing imbalances, and to enhance performance effectiveness in education and to transition the university from sterile scientific research to productive scientific research.

Problem of the study: Higher education represents both an investment and a consumption component simultaneously, holding special importance in the economic development process. Therefore, we will try to discuss effective methods to prepare it for guiding both it and society onto the correct developmental path, considering its contribution to economic and social growth. It can also be seen as an investment in human capital for the pressure it places on the state budget. Additionally, it directly contributes to improving living standards and creates lasting consumer assets. Thus, the issue now requires discussion and thinking on both a theoretical and practical level due to its significance in how it is applied by clarifying the cognitive qualifications of graduates and their relationship to

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integration into the labor market. The questions that should be asked in this field are:

- To what extent does the success of the credibility of education in Algeria depend?
- How can its role be activated to be an effective essential investment component and a consumption component with economic and social value in achieving the desired future?
- How can the functions of the university transition from sterile scientific research to productive scientific research?

The importance of the study: The importance of the subject lies in that the survival of societies fully depends on universities and their outputs because university education means thought, and thought leads to scientific research. Scientific research signifies progress and technology. Inevitably, if any nation stops thinking, its fate is to decay, diminish, and collapse. Thus, the university is required to keep up with the changes and transformations due to its institutional position and status in society, and to interact with global changes and developments.

The study hypothesis : To answer these questions, we start from a fundamental hypothesis that posits the pure economic vision concerning the necessity and inevitability of working on developing university institutions and modernizing their methods to align with the rapid changes of the era and the requirements of the job market.

Study methodology : The descriptive analytical approach was used by referring to various references that discuss the subject of the study, especially in relation to the fields of university education.

2. The economic and social value of university education

2.1 The economic value of university education

As a result of the increasing demands and needs of economic and social life, our era has become characterized as the age of scientific knowledge. This intellectual approach elucidates and illuminates the

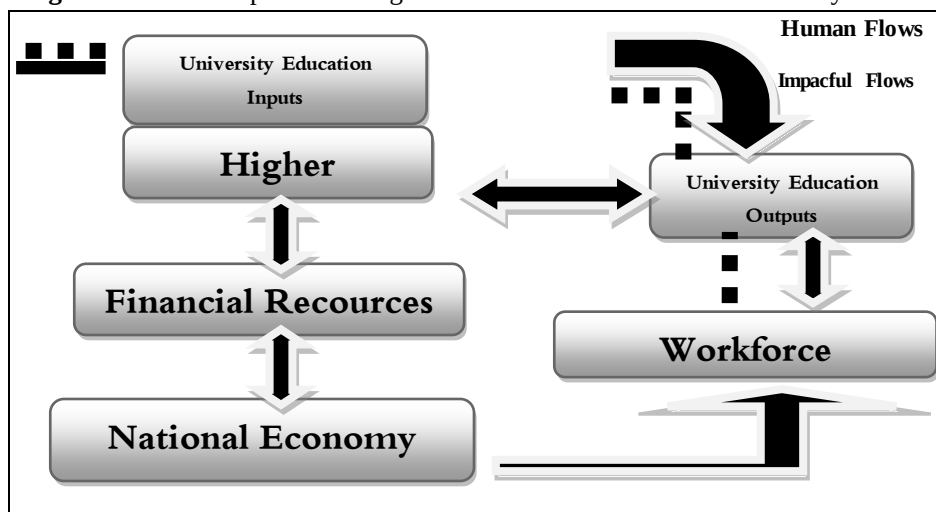
path for societies to achieve their goals and purposes, aligning with the requirements and characteristics of the current age. Higher education represents the scientific and practical spirit, which involves studying things to understand their laws for the purpose of influencing their course. Knowing something enables us to predict it, and this prediction allows us to alter the course of events more easily towards achieving goals. Therefore, the success of educational institutions spread across various economic, social, and educational sectors depends on educational processes and methodologies derived from the reality of educational and university institutions, aimed at change, development, and improving the current situation to serve the future and its requirements.

There is nearly universal consensus that education and training contribute immeasurably to improving the quality of human resources performance while increasing social and economic justice and accelerating growth in the current era. Education opens the door to social equality and economic opportunity. Human resources are considered among the most critical elements of economic development. Over the past few decades, these resources have been viewed as a long-term high-return investment, with returns extending throughout an individual's productive life. Human resources development is regarded as one of the most crucial factors for the success of any economic development process and is a necessary condition for the success of other factors like capital and natural resources. The efficiency of these factors requires the availability of appropriate, suitable, and qualified human resources for effective use. Schultz considered education a necessary investment in human capital, noting that spending on education is an investment, not a consumptive expense, because education creates additional economic value. (Hassan, 2002, p. 09) As Schultz regarded it as one of the most important factors, it influences the development and improvement of human resources by enhancing their efficiency and productivity, thus

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effectively contributing to the development process. Many major countries have relied on education and its development as a primary pillar of economic development at the beginning of their growth steps, achieving rapid and successive development rates, leading them to join the ranks of major countries, with the experience of many Asian and European countries serving as prime examples of education as a fundamental pillar for achieving their economic development. (Al-Hamdan, 2002, p. 145) The influence of the economy on the traditional system also succeeds through the financial resources it allocates, allowing this system to perform its work efficiently and successfully, particularly in the presence of an appropriate educational policy. Thus, through the role of university education in impacting human resources and preparing them for work and production, the national relationship between the university education system in society and the national economy becomes clear, and the following figure illustrates the nature of this relationship :

Fig.1.The relationship between Higher Education and the National Economy



Source :Compiled by the researchers based on data from Suhail Al-Hamdan, as cited earlier (see reference), p. 145.

This illustration reveals the presence of two types of flows: one in the form of human resources and the other as influence flows. Consequently, we observe a reciprocal influence relationship between the economy and higher education through the mutual impact between the outputs of higher education and the workforce in society. These flows originate from the inputs of higher education, which in turn affect the efficiency and capability of higher education in assimilating them, thereby optimizing the use of human resources.

2.2 The social value of higher education

The university is an organization with unique characteristics in terms of social structure, activities, framework, and goals, making it distinct from other organizations, including educational ones. The goals of university organization have evolved through historical phases, crystallizing towards serving societal conditions. Consequently, the university's activities have expanded and diversified with societal advancement and knowledge growth. This has led to increased complexity in the university's organizational structure and characterized its social construction. From this, we conclude that higher education is a social system where social structures integrate and categories vary, enhancing the quality characteristics of higher education outputs and their dynamics in shaping social processes. This imposes a significant focus on developing the value structure of higher education, according to normative goals that require a shared culture capable of achieving mutual understanding and cooperation within a structure that aligns with the correct developmental path of society. This is confirmed by the characteristics that distinguish the following elements : (Al-Nouri, 1989, p. 90)

2.2.1 Higher education inputs : These include enrolled students, scientific and administrative capabilities, resources, and information, all essential for managing the activities of higher education effectively. The student represents the primary objective of the educational process, whether this objective is associated with education as a right,

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implying access is a right, or with education as an investment, through investing in the development of graduates considered human capital that must be nurtured to create physical capital (Janabi, 2013, p. 246). These inputs confirm two characteristics : First, the university organization includes distinct and diverse segments in its social structure, varying in age, social status, and intellectual maturity, necessitating the possession of social values and standards capable of achieving balance and harmony among these groups. Second, the social organization encompasses within its cultural structure divergent cultural levels and specialized categories in the sources of their culture and their knowledge interests, with high dynamics resulting from continuous interaction among them and with the societal environment.

2.2.2University educational activities : The productive activity at the university is represented by distinctive events that are unique in their requirements, stakeholders, and outcomes. Academic tasks specifically deal with distinguished human elements either as raw materials or as actors, and they handle the intellectual essence of these human elements. Additionally, they strive to develop and contribute to enhancing the efficiency and effectiveness of developmental activities. Thus, the university becomes a social, cultural, and economic institution undertaking tasks with unlimited and hard-to-measure returns.

2.2.3University educational outputs: The connection of university education to its environment is defined through its provision of specialized capabilities capable of contributing to the development of the environment, and through its delivery of scientific ideas and artistic achievements that facilitate the technological progress and development of the environment. Graduates represent a qualitative and quantitative addition to the educated segment, contributing to the elevation of the cultural level. This means an increase in the capacity to improve the productivity of all its organizations. All of this signifies

that the university, through its outputs, represents a developmental contribution with full social, economic, and cultural dimensions.

3. The issue of higher education outcomes and their relationship to professional integration, along with the key proposed solutions :

3.1 The problem of university qualifications and their relationship to professional integration :

The transformation occurring in the educational system at universities is linked to the emergence of a direct relationship between them and the economic mindset, characterized by a new spirit in the economic reality. University education holds meaning only in the services that a graduate can offer to the utilitarian economy under the concept of "the flexible human and the flexible worker," who adapts quickly to the spirit of the age. Therefore, the university professor is fundamental to higher education, and their employment is a key factor in stimulating the thinking and creativity of their students and colleagues, with their proficiency proving their benefit in preparing creative (Kazem, 2010,, p. 30)minds. On the other hand, Christian Lagal explains this new relationship between the school, the university, and the economic mindset by saying, "Economic competition is a competition in educational systems." This pure economic vision has led developed countries to demand that their educational systems and various training programs adopt such a reformist vision, transforming schools and universities into knowledge production labs and enterprises skilled in fostering a vision based on flexibility.

In this context specifically, there has been a shift from established scientific terms and concepts like education to concepts of accompaniment, qualification, and training. This means that university education is viewed as a primary formation preparing individuals for professional life, where the university serves as an initial stage of training. However, the responsibility, all the responsibility, lies with the student or what is known as self-training responsibility for continuing life in a market-driven society. It is a beginning that never

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stops and an end that never finishes. (Al-Rashdan, 2005, p. 152) From here, we can observe the detrimental impact on students' futures when they do not supplement their theoretical training with sufficient effort towards self-formation. This manifests in the form of graduate unemployment, which is one of the most pressing dilemmas facing these institutions currently and represents closed prospects for students, affecting their intellectual achievement and leaving them feeling futile about their education. The profound transformations that have occurred in the conceptual framework of universities to embrace entrepreneurial and managerial thinking have left clear marks on Algerian universities. They have been influenced by this spirit, starting with reforms initiated by the ministry, especially in the context of the New Algeria, transforming universities into enterprises that provide foundational training qualifying students for lifelong learning through implementing meaningful solutions in managing specialties and courses. However, the university situation still presents other problematic aspects related to weak incentives in achievement and education, as well as students' lack of desire to positively engage dynamically within the university project. Higher education has shifted in its sociological meaning, where the role of the university in reinforcing societal values and identity, in addition to its cognitive role, no longer signifies social advancement and mobility for graduates. Based on this new university reality, there is a pressing need to change the current conditions of higher education in all its dimensions to help individuals adapt to interact smoothly with their social environment.

3.2 Proposed solutions to address the problem of higher education outcomes and their relationship to professional integration:

relationship to professional and societal integration, it is essential to focus on the content of higher education programs, their methodologies, approaches, practices, and knowledge dissemination methods, thereby improving the performance of all elements through

the following :(Hussein, 1991, p. 128)

- Giving greater attention to students' interests and needs in all aspects of their academic life at admission, within the curriculum, teaching methods, and during the transition to professional life.
- Equipping graduates with specific competencies of knowledge, skills, and attitudes that enable them to actively engage in various sectors of human activity within society.
- Cultivating educated citizens who possess competencies related to communication, critical thinking, and other advanced intellectual skills.
- Strengthening relationships with the world of work and establishing partnerships with stakeholders, analyzing societal needs, and working to meet them while considering scientific, technological, and economic developments. This includes providing onthejob training and contributing to the creation of new job opportunities.
- Encouraging scientific research in various fields, especially in applied domains, to develop, deepen, and broaden knowledge to align with the characteristics of each country and society and to provide a scientific basis for decision-making.
- Ensuring appropriate preparation and training for researchers in postgraduate studies.
- Providing necessary resources and support for researchers within the university.
- Recognizing academic freedoms, especially freedom of research and publication, preserving researchers' intellectual rights, and providing mechanisms to utilize their research findings to enhance higher education and sectoral development.
- Promoting the dissemination of knowledge and research findings in all fields, with a focus on disseminating and developing research results.
- Directing higher education programs and scientific research activities to enhance the role of higher education in serving the

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community at large and undertaking programs and projects that serve the community specifically.

- Working towards achieving comprehensive and integrated development goals for society in economic, social, and cultural aspects to contribute to the preservation and enhancement of societal values.

- Contributing to understanding, preserving, and enhancing local cultures within the framework of cultural diversity, understanding political, economic, and social inclinations to empower communities to address problems affecting local societies.

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political, economic, and social inclinations to empower communities to address problems affecting local societies.

4. Education and its role in driving development as a significant and effective investment and consumption component:

There are two perspectives on higher education: one views education as a consumable commodity that yields immediate returns upon use, providing individuals with satisfaction through increased knowledge. The other perspective considers human resource education as yielding long-term returns, akin to a crucial component of economic development. Education, like any other investment, must be studied for its returns and adhere to investment standards. Proponents of this theory advocate for investment in human capital, considering it one of the most profitable investments that serves economic development. Investment in skilled human resources is essential for production processes and therefore achieving economic development, with returns surpassing many other investment projects.

Some consider higher education as a national investment, emphasizing the importance of economists' attention to the role of higher education in economic development. They argue for state involvement in bearing the expenses of higher education and scientific research. They believe that the value spent on higher education and research, whether by individuals, should not be measured solely by the direct returns of this investment. Instead, the state may gain significant returns by providing individuals in society with more opportunities to discover their talents and capabilities. The discovery of these talents and capabilities could offset the costs of education for an entire city.

4.1 Education is both an investment and a consumption component:

In reality, education serves as both an investment and consumption component simultaneously and holds particular importance in the economic development process. Education can

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serve multiple high-priority objectives from a general development perspective. It can be seen as an investment in productive means and also involves a consumptive concept. Education directly contributes to the standard of living and establishes enduring consumptive assets. The consumptive and productive impacts of education can be viewed as complementary from a social evaluation perspective within the broad concept of growth. This view is grounded in considering education as a pattern of investment supported by numerous justifications. It enhances an individual's productivity to attain adequate income, leading to increased societal productivity, raising national income levels, and achieving social and economic well-being. Additionally, education develops an individual's capacity to identify and address societal issues, fostering economic growth and facilitating adaptation to various work requirements across sectors (Al-Abbadi, 2008, p. 135).

As for education in schools, it is more than just a consumptive activity. This means that it is not solely undertaken for the sake of satisfaction and benefits gained through school attendance. On the contrary, both public and private expenditures are intentionally directed towards schooling to acquire a productive inventory that encompasses human resources, provides future services including future employment opportunities, self-sufficiency in future work, domestic activities, consumer satisfaction, and adds to the savings of low-income countries in a tangible way. However, it is often overlooked in traditional national economic accounts, as the savings included in these accounts are limited to physical capital formation. Therefore, education should be considered as an investment type that must adhere to investment criteria to maximize its efficiency. Thus, education has two sides: a consumptive aspect, "education as consumption," and an investment aspect, "education as investment." Education can be viewed as consumption from two angles :

4.1.1 Education is like continuous consumption: akin to food, in that it immediately satisfies an individual's unmet need represented by the desire for knowledge or cultural awareness, as well as fulfilling societal and political aspirations essential for the community as a whole.

4.1.2 Education as enduring or continuous consumption: implies that it does not occur just once or in a single installment but remains closely tied to the individual throughout their life, continuing to yield benefits even after their passing. It enhances both individual and societal well-being, distinguishing education from other forms of consumer services by its ability to influence consumer behavior preferences toward achieving maximum satisfaction within resource constraints. Individuals can develop their resources and inclinations through knowledge, making informed choices among various alternatives that offer differing degrees of satisfaction. For society, education represents a continuous consumption essential for economic development, stability, and political cohesion, contributing to improving relationships, social progress, and individuals' understanding of development requirements.

4.2 Education as an investment serves as a catalyst in the process of economic development.

Regarding education as an investment, it enhances productivity and increases production efficiency by developing human resources. It also enables the application of technological advancements in scientific fields and modern technology in production sectors. Moreover, it contributes to creating external economies resulting from the expansion of enterprises through technological progress and the availability of human resources capable of undertaking such endeavors. Thus, education can effectively contribute as a crucial factor in economic development. Economists consider education a stimulant for the most essential economic resource, human capital, which they view as the foundation of the production process.(Al-

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Lahia, 2016, p. 152)

5. CONCLUSION

The key challenges and stakes facing higher education within the framework of the new economic system have become a top priority in national policies. This is aimed at enhancing educational standards and university graduates to contribute to the country's aspirations in developing the economic and social environment, advancing progress and evolution, particularly by addressing issues related to higher education outcomes and their connection to professional integration. To confront these changes and elevate the national economy, it is time for Algerian universities to transition from their traditional roles to becoming major pillars of national development and contributors to economic revitalization. In pursuit of this goal, several recommendations have been formulated as follows:

- Redirecting the university's role to be practical and applied within economic, social, and industrial institutions.
- Developing a strategy grounded in societal foundations, philosophy, and overarching goals directed towards renewal.
- Instituting an effective management regime responsible for organizing, supervising, coordinating, evaluating, and developing scientific research needs, priorities, and areas through research centers, laboratories, and entrepreneurial roles, involving continuous improvement of educational and scientific research programs in Algerian universities.
- Engaging specialists and beneficiaries of research outcomes in external projects and operations outside the university, managing technical implementations and research outcomes according to standards that serve national, economic, and social development.
- Crafting harmonized university education policies that cater to individual and societal needs, aligning with the era of globalization and information, based on high-level scientific teaching methods in

university planning, execution, and evaluation, leveraging a broad database for continuous development to contribute to economic and social enrichment.

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