



INVESTMENTS IN EDUCATION DEVELOPMENT

# From the Crisis to Recovery Role of University – Business Cooperation Perspectives for the Future

**Jakub Fischer**

Head of the Expert Team  
Tertiary Education Reform Project  
CZ.1.07/4.2.00/06.0003  
Ministry of Education, Youth and Sports  
of the Czech Republic

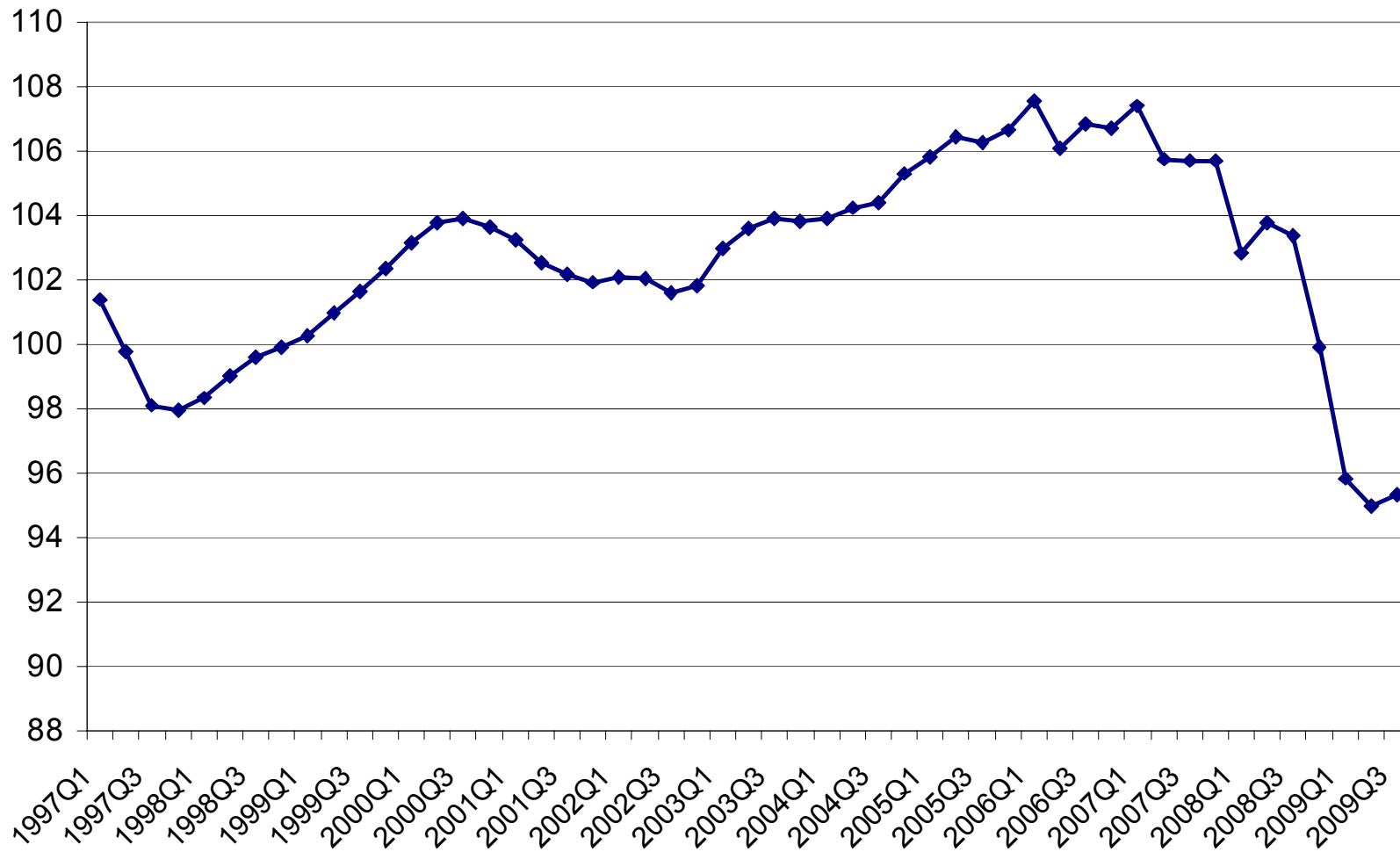
Tato prezentace je spolufinancována Evropským sociálním fondem a státním rozpočtem České republiky.

# How to Overcome the Crisis?

- Role of Universities as Advisors to Government (academic research on selected topics)
  - but: does the government always (or at least usually) reflect the recommendations of the universities?
- Macroeconomic Framework of the Crisis in the Czech Republic
  - point of view of national accounts

# Structure of the Crisis: National Accounts' Point of View

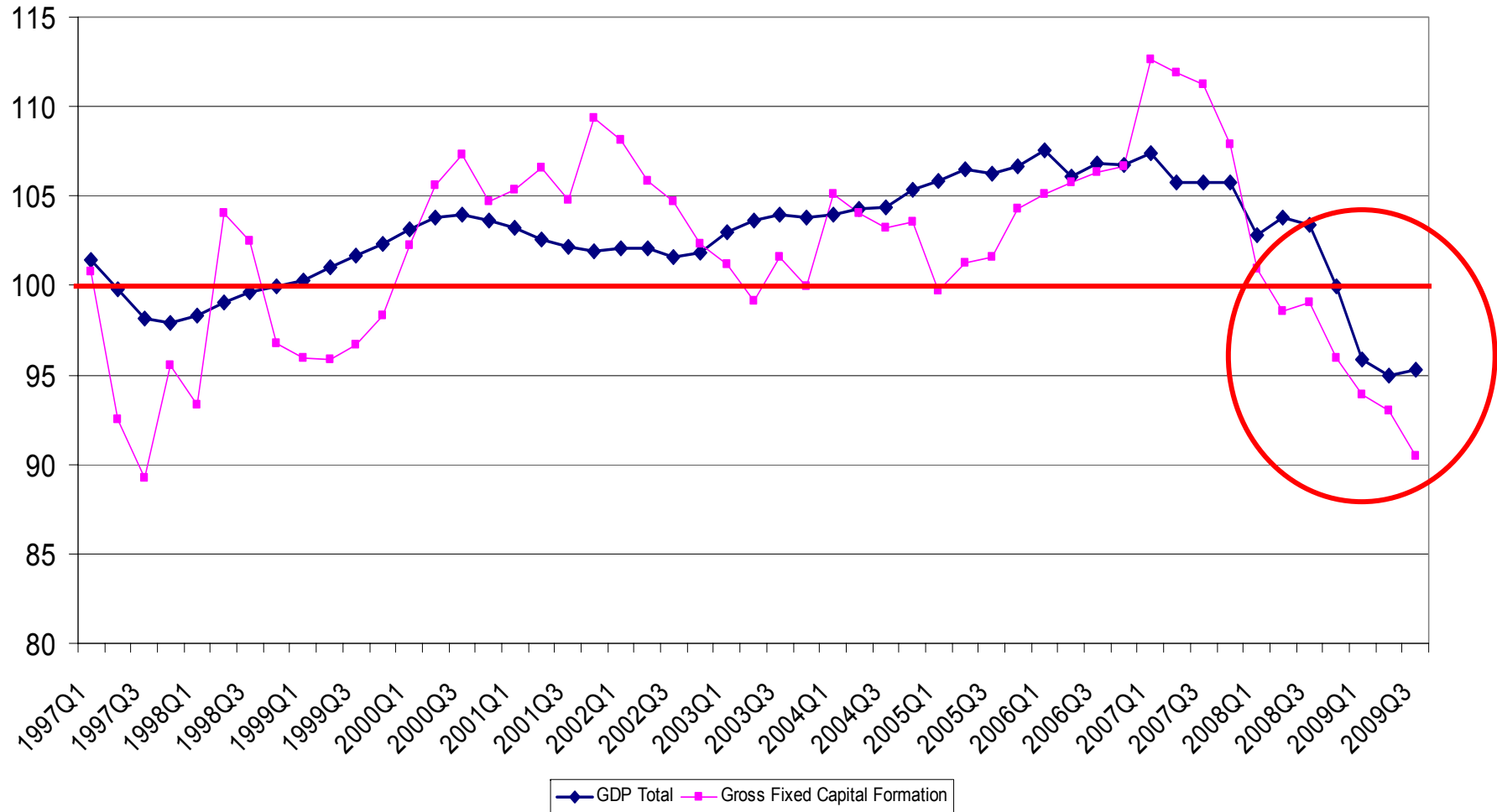
# GDP growth (y-o-y indices, constant prices)



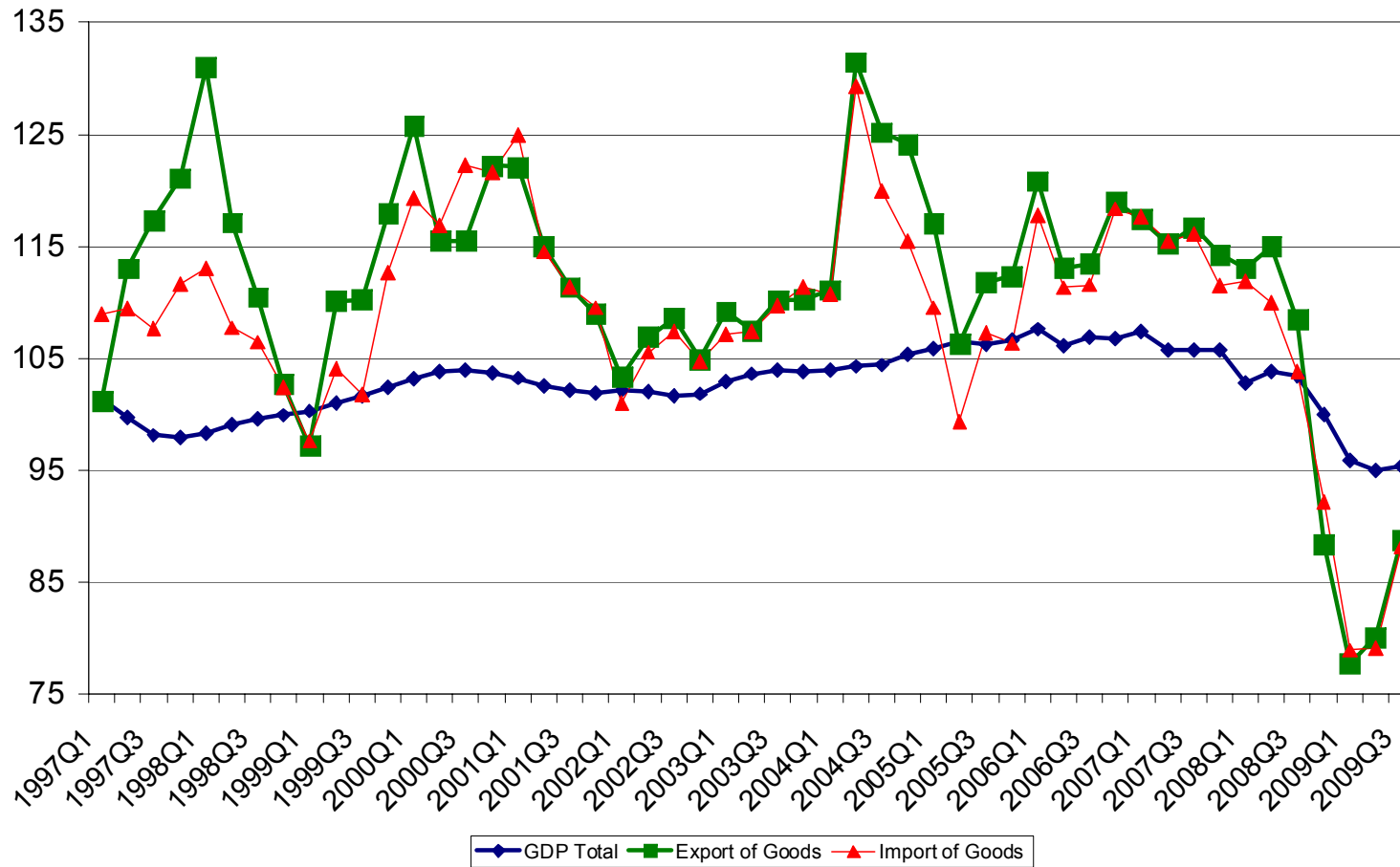
# Estimates of GDP (Main Approaches)

- Production Approach
  - GDP as a sum of value added + net values on products
- Expenditure Approach
  - Final Consumption of Households
  - Final Consumption of Government
  - Final Consumption of NPISH
  - Gross Fixed Capital Consumption
  - Change in Inventories
  - Valuables
  - Net export (goods and services)
- Two INDEPENDENT Approaches
  - balancing, discrepancy...

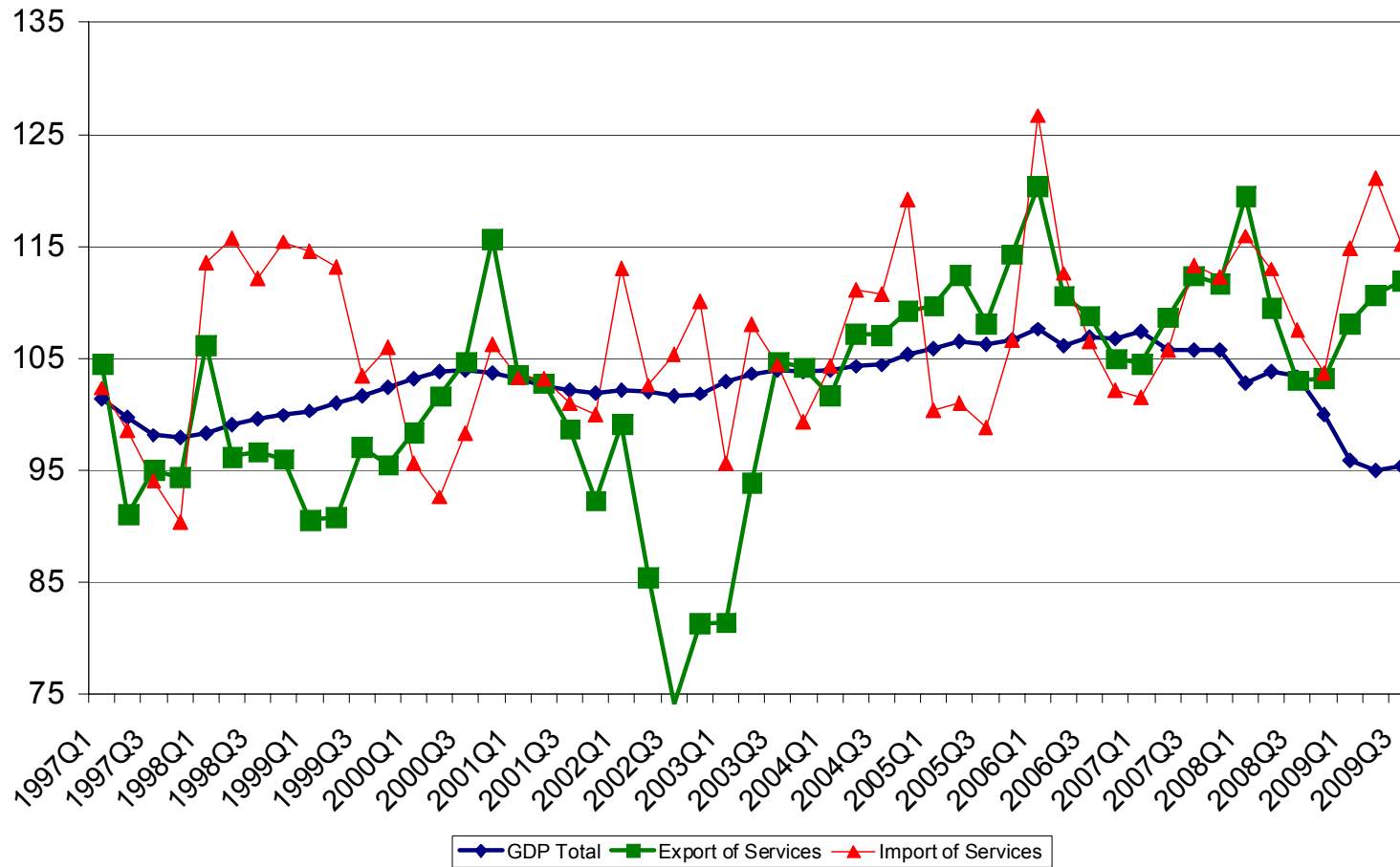
# GDP vs. Gross Fixed Capital Formation, y-o-y indices, const. prices



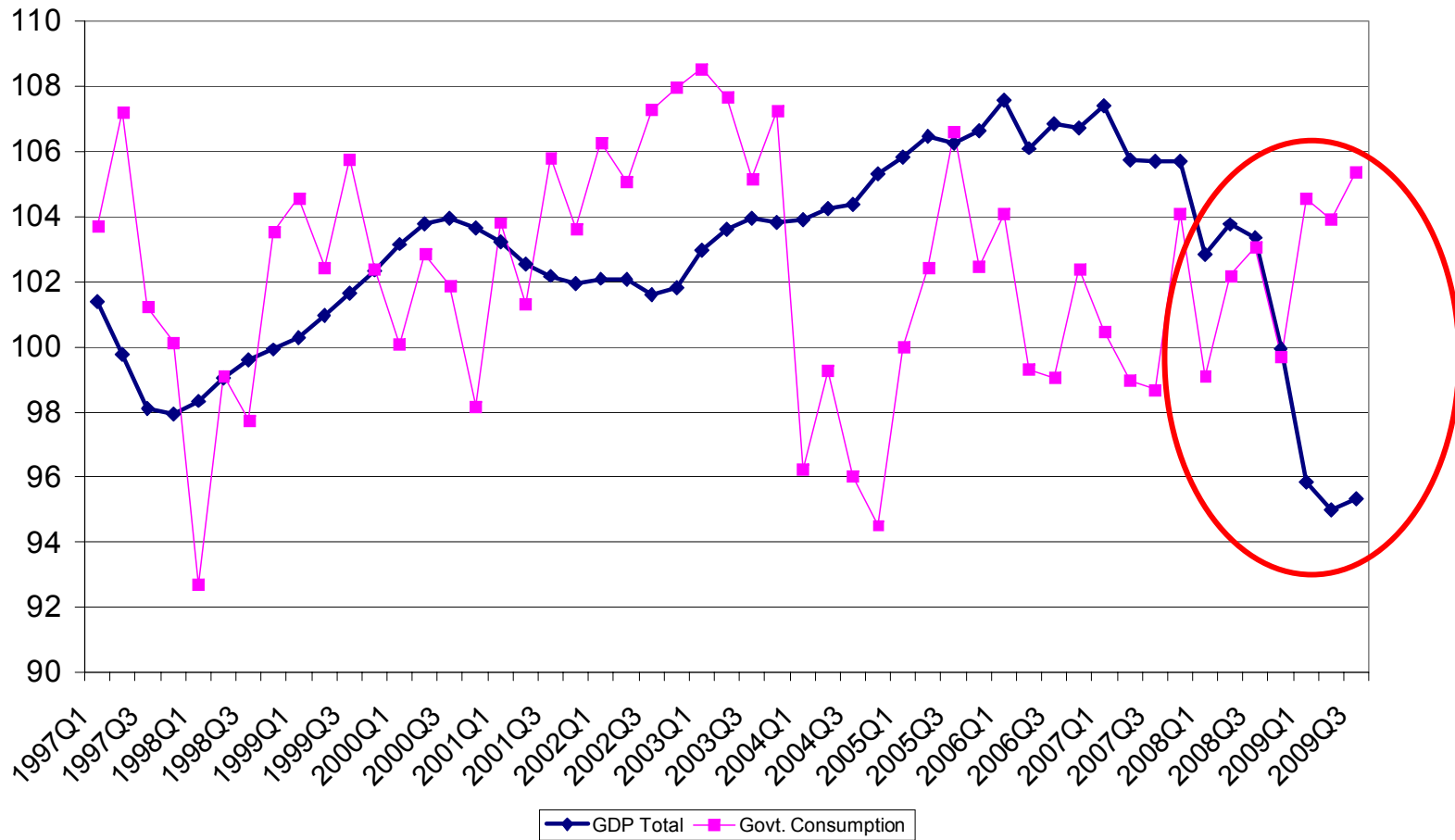
# GDP, Export and Import of Goods y-o-y indices, constant prices



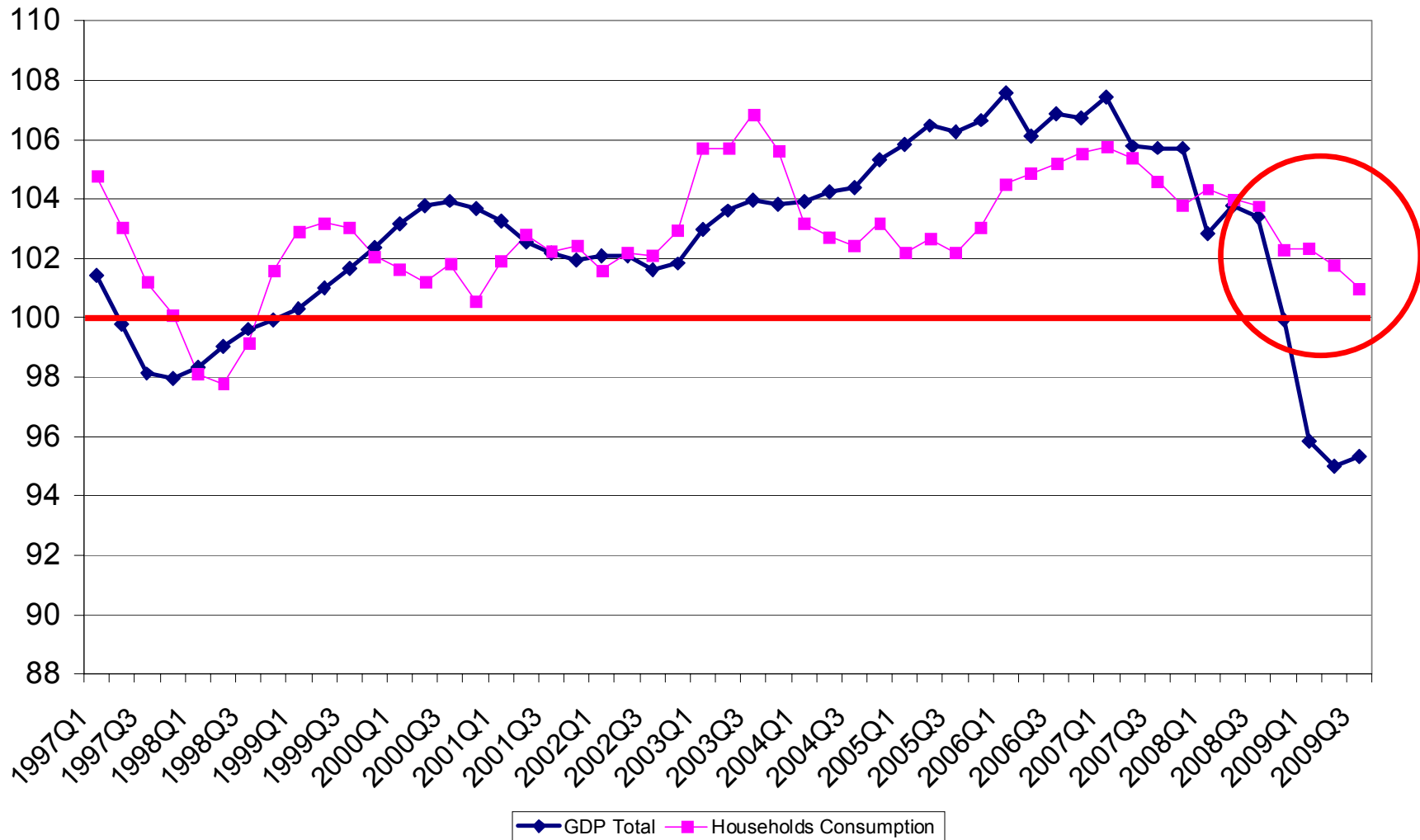
# GDP, Export and Import of Services y-o-y indices, constant prices



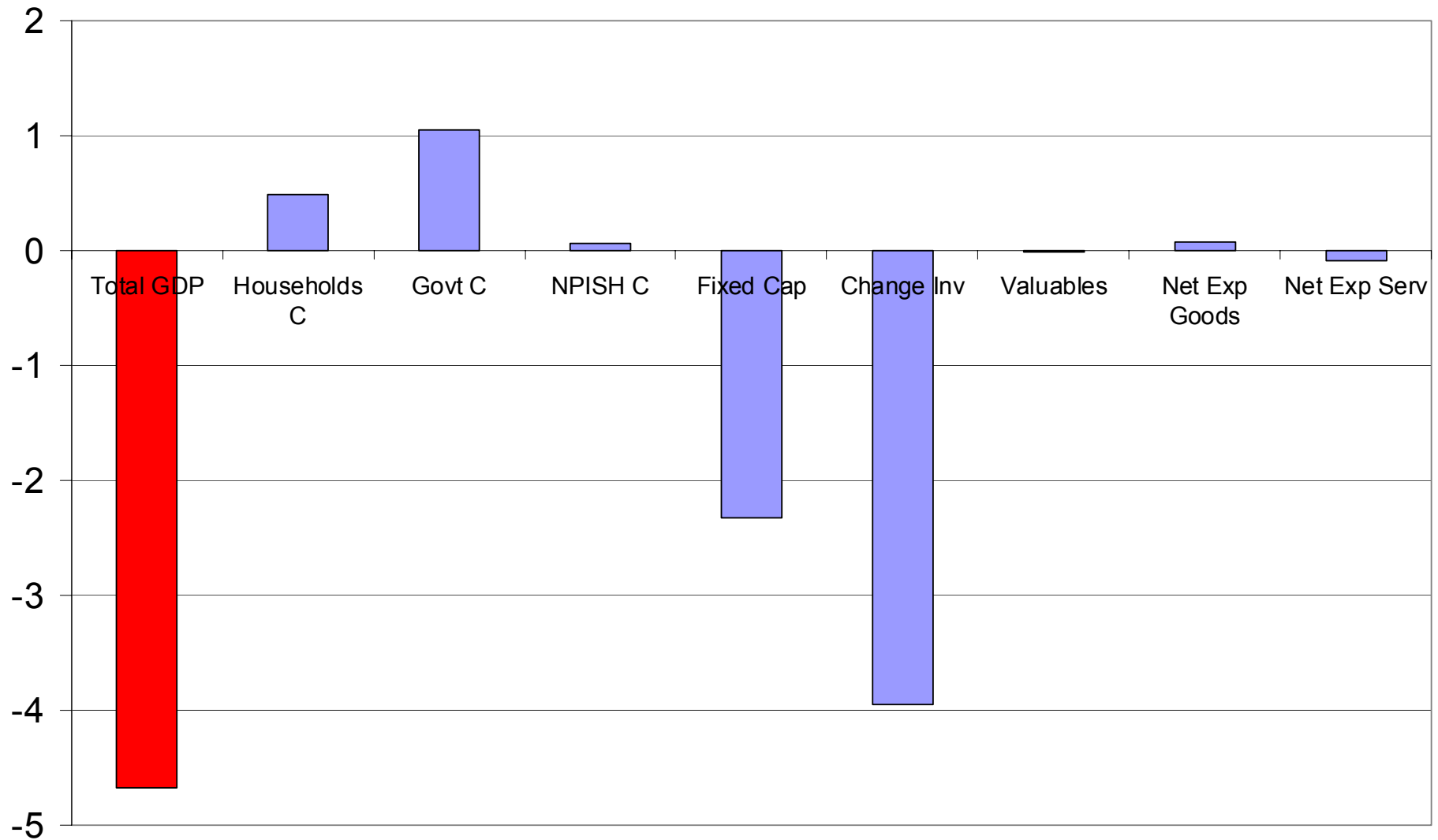
# GDP vs. Govt. Consumption y-o-y indices, constant prices



# GDP vs. Households Consumption y-o-y indices, constant prices



# Contributions to GDP change 3Q2009, y-o-y index, constant prices



# Macroeconomic Framework

## Conclusion

- Current economic crisis in the Czech Republic is not an issue of the demand side
- The solution is neither in increasing government consumption nor in increasing transfers to households – this will lead to increase the public finance deficit...
- Cyclical character of the economy (changes in inventories) and partly the statistical character of the crisis (role of statistical discrepancy)

# Priority Goals of Tertiary Education Reform

January – May 2010

# Priority Goals of the Reform January – May 2010

- Student Financial Support
- Diversification of TEIs

# Diversification as a Support for University – Business Cooperation

- Concentration of sources (technologies and human capital) at research universities
- Professionally-educated graduates (BC) at teaching universities and professional institutes

# Tools for Diversification

- Funding of Institutions
  - Higher support of BC
  - Linking of support of MA and PhD to results in R&D
- Change in Accreditation Process
  - Changes in accreditation – requirements will be adjusted according to type of institution
    - Lower need of highly-qualified professors at teaching universities and professional institutes (Solving the „Flying-Professors Issue“)
- Transformation of Colleges (VOŠ)

# Obstacles of Diversification

- Artificial division 5-year MA to 3-year BC and 2-year MA
  - content and form of education
- More than 80 % of BC graduates continue at MA
- Low demand of employers for BC graduates
  - Role of the state (biggest employer, setting of law)
  - Role of the tertiary education institutions
  - Why some private institutions are (probably) markedly supported by their founders?
    - Skoda Auto Vysoka Škola
    - Unicorn College
- Dilemma: academic autonomy vs. needs of business (applied research, graduates ready for labour market)



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**Thank you.**

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