

Regional Higher Education Institutions and their Contribution to Economic Development Efforts

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Back in the past, colleges, institutions and universities worldwide focused on one main objective - educating students in different subject matters for different roles in the society. Higher education institutions taught students and awarded degrees based upon the programmes that had been in place for many years and that were driven by what the university wanted to teach and what students were interested in. However this approach has not been responsive to the needs of private sector employers. Regional policy in Europe developed in a period characterised by reconstruction and economic expansion, accompanied by trade liberalisation and economic integration. The transition from the agricultural to the industrial and knowledge society in the second half of the 19th century has brought enormous economic, social, and demographic upheaval. One key area where universities have been observed contributing to economic performance is their contribution to promoting innovation. Thus knowledge institutions are increasingly expected not only to conduct education and research, but also to play an active role in the economic, social and cultural development of their regions. The extent to which higher education institutions are able to play this role depends on several circumstances, like, the characteristics of the institutions, the regions they are located in, and the policy frameworks. The contribution of HEIs to developing their home regions is changing with the expansion of higher education, particularly in the non-university sector, which in some cases has aimed to address regional disparities.

Higher education institutions influence the society in a number of ways, and the research done in favour of rural development is one of them. Human and physical capital is considered to be determinants that stimulate economic growth and production output level.

In a globalised economy this role is growing in importance. Worldwide a typical example of regional universities refers to Oxford, Cambridge, Harvard, Uppsala, Tartu, Heidelberg, and Freiberg Universities: they all were established to promote regional development, and they still exist as regional universities or universities in the region. These universities are considered to be even better than those located in the capital cities. In case of Latvia this aspect shall be taken into consideration to enhance the development of institutions themselves.

The previous two decades have provided the onset of establishing regional institutions of higher education and branch campuses of existing institutions of higher education throughout Latvia. Although the term 'regional institution of higher education' cannot be found in any legislative and normative documentation, it is used to designate any institution of higher education that is not located in the capital city Riga. Regarding regional HEI, they are HEIs of an especial mission with the basic objective to implement scientific and research programmes necessary for regional development. In 2008 the sector of HEIs comprised 24 higher education institutions and 14 research institutions integrated into HEI, where scientific research was being carried out. Six higher education institutions have a status of regional HEIs: Liepāja University (founded in 1954), Daugavpils University (1921), Rēzekne Higher School (1993), Latvia University of Agriculture in Jelgava (1863, as an independent HEI from 1939), Ventspils University College (1997), and Vidzeme University College (1996). However only 3 of them provide doctoral studies and grant doctoral degrees: Latvia University of Agriculture, Daugavpils University, and Liepāja University. The study does not cover affiliates of higher education institutions established in the regions of Latvia.

The usual indicators of regional disparity are employment (working and unemployed), regional GDP per capita, growth rates, settlement structure, population density per square kilometre, and access to technical, social and infrastructure facilities.

The comparison of the indicators showing the socio-economic development and the number of students by regions leads to the conclusion that students also choose the

higher education institutions in more developed regions, where they see perspectives for future employment. It once again proves the urgent requirement for the necessity of a special support, including the aid for higher education, for the least developed regions of Latvia. Nevertheless two HEIs are located in Latgale region it is the least developed region, mainly due to low entrepreneurial skills of population and business depression governing there. It is difficult to conclude that exactly regional HEIs are the key driving force of the development, yet beyond doubt it is one of the factors stimulating economic growth.

Generally transfer of national economy to modern technologies, science-based production, and production of products with high value added was started in Latvia. Therefore the role of higher education, especially universities, as the producers, promoters, and supporters of the mentioned transfer is very significant for the today's society. Undeniably academic staff and research activities are the most important factor to ensure quality of education. Guidelines on the Development of Higher Education, Science and Technologies for 2002-2010 envisage restructuring of universities into the main scientific centres of Latvia, where high level scientific research, mainly fundamental one, would be combined with high quality academic and professional studies in sufficiently wide sectoral aspect.

Latvia urgently needs a special programme on the recruitment of young gifted specialists to research and teaching work at regional universities by noticeably increasing the number of doctoral students enrolled, and the volume of doctoral grants to those new researchers who devote themselves and their work in favour of rural development and particularly the regions they come from.

In summary, there are several ways in which a college or university can make significant contributions to regional, state, and national economic development initiatives. A higher education institution has to first have a desire to do so. Secondly, a college or university shall know its strengths and assets that can be leveraged to benefit its organisation and geographic area in which it can have an impact. Thirdly, the higher education institution entity shall have a vision of what it would like to achieve. Finally, the college or university shall have an implementable strategic plan. To maximise results for a region, state and country, the higher education institution shall be engaged with government, the private sector, other academic institutions, and the non-for-profit organisations. If everyone is working together to support economic development initiatives, everyone will benefit.

Key words: higher education institutions, regions, economic development, employment, studies.