

# Knowledge-based economy

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The European Union is resorting to long-term multi-annual political and economical plans. The current set of plans, “Horizons 2020”, also involves restructuring the educational system, as in the Bologna system. The idea behind it is that education should help industry to win the competitive battle with other major economical blocks. Outsmart them and sell products with profit. The paradigm of the 21<sup>st</sup> century is profit. The idea is best described by the adage of the European Union of developing a so-called “knowledge-based economy”.

It implies that education is a form of investment. We should educate people – the society should spend effort on educating people – in order for society to make profit on it. This is consistent with the individual paradigm; An individual student will spend time and money attending a university course, solely in order to increase perspective on future salary.

This is an educational system that is an *investment* scheme. Contrasting this is the idea of education as a *consumption* good. In the latter, people study to become knowledgeable, since knowledge makes a person happy. Compare it to a hospital where patients are treated to become healthy, because health makes happy, and not just to make workers go back to work and produce.

We discuss here why an educational system that is for investment-only will at the end not result and will destroy science, creativity and eventually any form of competitiveness in the economy. It will lead to moral as well as financial loss.