



## Development of the human capital as on of the form of the protection of human rights and freedoms

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### Abstract

This article analyses one of the key and topical issues of civil society identified in the first area: The development strategy of the new Uzbekistan, human capital.

The person is not only the basic object, a policy of philosophy and economic development of a society, as it has been noted in strategy of development of the first direction, - a construction of the nation a land humane state which in many respects depends on intellectual development of the human capital.

In the near future, as outlined in the development strategy, XXII-XXVI years, to increase the political activism of the population as important conditions for the development of civil society and a people's state.

Uzbekistan is now paying particular attention to individual rights and freedom sand to increasing economic thinking among young people.

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### Introduction

Human capital is a set of knowledge, skills, and abilities used to meet the diverse needs of a person and society as a whole. American economists Jacob Mincer first used this term in 1958, and then by Theodor Schultz in 1961 and Gary Becker, who developed this idea from 1964, substantiating the effectiveness of investments in human capital and formulating an economic approach to human behavior. The main challenge to the development of human capital in the digital civilization is the speed of transformation of the socio-technological infrastructure <sup>[1]</sup> !"

Initially, human capital was understood only as education and professional skills, as an ability-boosting set of investments in a person.

Intensive productive factor of economic development, knowledge, tools of intellectual and managerial labor, habitat and labor activity, which provide effective and rational functioning of human capital as a productive factor of development, development of society and family, including educated part of labor force is the concept of human capital in a broad sense.

Human capital is the main factor of formation and development of innovative economy and knowledge economy.

The classification of human capital is used.

1. Individual human capita 2. Human capital of the company 3. National human capital.

The impetus for the creation of the theory of human capital was statistical data on the growth of the economies of the developed countries of the world, which exceeded the calculations based on the classical growth factors. The analysis of the real processes of development and growth in modern conditions has led to the assertion of human capital as the main productive and social factor in the development of the modern economy and society.

T. Schultz, G. Becker, E. Denison, R. Solow, J. Kendrick, S. Kuznets, S. Fabricant, I. Fischer, R. Lucas and other economists, sociologists and historians, made contributions to the development of the modern theory of human capital.

The concept of human capital is a natural development and generalization of the concepts of the human factor and human resource, but the HC is a broader economic category.

The economic category of "human capital" was formed gradually, and at the first stage, it was limited to the knowledge and ability of a person to work. Moreover, for a long time human capital was considered only a social factor of development, that is, a cost factor, from the point of view of economic theory. It was believed that investments in education, in education are unproductive, costly. In the second half of the XX century, the attitude towards human capital and education gradually changed dramatically [2].

So, S. Fischer gave the following definition of the HC: "Human capital is a measure of the ability embodied in a person to generate income. The HC includes innate abilities and talent, as well as education and acquired qualifications." At present, this definition can also be considered a definition of the HC in a narrow sense.

The high level and quality of the accumulated HC are necessary for the accelerated implementation of institutional reforms, transformation of the state, technological renewal of production, market transformations of the economy, etc. And, as a result, it is precisely the sufficiently high level and quality of the HC of a country with a catching-up economy that ensures its access to stable growth of per capita GDP and an increase in the level and quality of life of the population. Thus, human capital, according to Kuznetsov, is the main dominant of the possible stable growth of the economies of developing countries.

American economist Edward Denison [3] (Robert Solow contributed to this problem 12 John Kendrick, etc.) developed classification of economic growth factors out of 23 factors selected by him, 4 relate to labor, 4 to capital, 1 to land, 14 characterize the contribution of STP. Denison concluded that the determining factor in the growth of output per employee (labor productivity) is education, the most important component of the HC.

G. Becker, perhaps, was the first to transfer the concept of the HC to the micro level. He defined the human capital of an enterprise as a set of skills, knowledge and abilities of a person. As an investment in them Becker took into account mainly the costs of education and training. Becker assessed the economic efficiency of education, first of all, for the employee himself. He defined the additional income from higher education as follows. From the incomes of those who graduated from college, he deducted the incomes of workers with secondary general education. The costs of education were considered as direct both costs and opportunity costs are lost income during training. G. Becker estimated the return on investment in education as the ratio of income to costs, having received approximately 12-14% of the annual profit.

Becker made a special contribution to the theory of competition, strategy and development of the company. He introduced that special training of employees forms the competitive advantages of the company, the characteristic and significant features of its products and behavior in the markets, ultimately, its know-how, image and brand. The firms themselves are primarily interested in special training and corporations, and they finance it. These works of Becker became the basis for the creation of a modern theory of the firm and competition.

Becker, within the framework of the theory of human capital, investigated the structure of the distribution of personal income, their age dynamics, inequality in the payment of male and female labor, etc. He proved to both politicians and entrepreneurs on extensive statistical material that education is the foundation for increasing the incomes of employees,

employers, and the state as a whole. As a result, politicians, financiers and entrepreneurs have become consider investments in education as promising income-generating investments.

Becker in his works considered an employee as a combination of one unit of simple labor and a certain amount of human capital embodied in it. His salary (income) is a combination of the market price of his simple labor and income from investments invested in a person. Moreover, the main part of the employee's income, according to Becker's estimates, as well as the calculations of other researchers, is brought by human capital!

Human capital (in a broad definition)- is an intensive productive factor in the development of the economy, society and the family, including the educated part of the workforce, knowledge, tools of intellectual and managerial work, living environment and work activity.

Human capital (briefly)- is intelligence, health, knowledge, knowledge (science), entrepreneurial ability and climate, in the information support of labor, in the formation of an effective elite, in the security of citizens and business and economic freedom, and also in culture, art and other components, the HC is formed and due to the influx from other countries or decreases due to its out flow.

The structure of the HC includes investments and returns from them in the tools of intellectual and managerial work, as well as investments in the environment of the functioning of the HC, ensuring its effectiveness.

HC is a complex and distributed intensive factor of development. Like blood vessels in a living organism, it permeates the entire economy and society and ensures their functioning and development. Or, on the contrary, it depresses with its low quality. Therefore, there are objective methodological difficulties in assessing its separate economic efficiency, its separate productivity, and its separate contribution to GDP growth and to improving the quality of life. The HC, through specialists and IT, contributes to the development and growth of the economy everywhere, in all types of economic and industrial activities.

The HC contributes to improving the quality and productivity of labor in all types of life and life support. In all types of economic activity, management, educated professionals determine productivity and efficiency labor. And knowledge, quality work, qualification of specialists plays a crucial role in the effectiveness of the functioning and work of institutions and organizations of all forms and types.

The main drivers of the development of the HC are competition, investment, innovation.

The innovative sector of the economy, the creative part of the elite, society, and the state are sources of accumulation of high-quality HC, which determines the direction and pace of development of the country, region, Ministry of Defense, and organizations. On the other hand, the accumulated qualitative HC is the basis of the innovation system and economy (IE) high-quality and productive work and quality of life.

There is physical capital, financial capital, natural capital, intellectual capital and human capital, as well as some other types of capital. National wealth includes physical, human, financial and natural capital. Human capital is formed through investments in improving the level and quality of life of the population, in intellectual activity. Including - in upbringing, education, health, the processes of development of the HC and IE constitute a single process formation and development of the innovation and information society and

its economy.

What is the difference between human capital and human potential? The human potential index of a country or region is calculated by three indicators: GDP (or GRP), life expectancy and literacy of the population. That is, it is a narrower concept than the HC. The latter absorbs the concept of human potential as its enlarged component.

What is the difference between human capital and labor resources?

Labor resources are directly people, educated and uneducated, defining skilled and unskilled labor. Human capital is a much broader concept and includes, in addition to labor resources, accumulated investments (taking into account their depreciation) in education, science, health, safety, quality of life, intellectual labor tools and an environment that ensures effective functioning of the HC lives. Comfortable conditions are being created for scientists and engineers to communicate in order to realize the synergetic effects of enhancing the creative power of scientific and innovative teams. At the same time, for example, in a criminalized and corrupt country [4], the HC cannot function effectively by definition, even if it is an "imported" external high-quality HC, provided due to its influx. Or "works" inefficiently. Investments in the formation of an effective elite, including the organization of competition, are one of the most important investments in the HC.

An entrepreneurial resource is a creative resource, an intellectual resource for economic development. Therefore, an investment in an entrepreneurial resource is an investment in the development of the HC in terms of increasing its constructiveness, creativity and innovation. In particular, business angels are a necessary component of the HC.

Investments in institutional services are aimed at creating comfortable conditions for public services. Institutions of citizens, including doctors, teachers, scientists, engineers, that is, the core of the HC, which contributes to improving the quality of their life and work.

For the effective functioning of the HC, it is necessary to have a competitive quality of life, including safety, ecology and housing conditions, and at the level of developed countries of the world. Otherwise, the best specialists go to a place where it is more convenient for them to live and work more comfortably and safely.

Why it is necessary to include tools and techniques in the composition of the HC, sources of information about the work of specialists? Because, for example, an outstanding programmer without a powerful computer, without a database, without sources of information, without source programs is not able to realize his capabilities, experience and knowledge.

The concept of human capital and information, IT is closely intertwined. Moreover, ICTs themselves arise precisely at the intersection of the categories of information and human capital, since information flows permeate all spheres of human life and play an ever-increasing role in the conditions of globalization of the world.

Investments in the development of civil society and economic freedom contribute to the increase of creativity and law-abiding citizens, the formation of an optimistic and constructive, and, at the same time, rational ideology, and the formation of the state. Institutions that stimulate the growth of the quality of life. They contribute to the formation of a healthy lifestyle. And, as a result, they lead to an increase in

the efficiency of labor and the economy.

These investments form a collective civic mind, a collective intelligence aimed at creation. Investments in the creation of an environment should also be included in the composition of the HC, ensuring its effective functioning. In a developing country, it is impossible everywhere to create competitive and comfortable conditions for highly qualified specialist's necessary for the formation of an effective innovation system and the innovative economy sector. Therefore, SEZs, techno polises and techno parks are being created (for example, China, India). They implement a special living regime, increased security, improved infrastructure, and improved community quality. By itself, the accumulated information is dead without systems for its delivery to consumers, without communication systems, management and processing. The importance of the importance of information for the modern economy and the life of society already follows from the most well-established name of advanced post-industrial economies "information society", innovation and information economy or knowledge economy. With such an expansion of the economic category "human capital", it comes out, as already noted, actually from the "flesh" of man. People's brains do not work effectively with poor quality of life, low security, aggressive or oppressive living and working environment of a person. The foundation on which innovative economies and information societies have been created is the triumph of the law, high quality of human capital, high quality of life and an efficient industrial economy, which has smoothly transformed into a post-industrial or innovative economy. Innovation in a market economy, is a consequence of free competition in the markets. In the absence of a source of innovation generation competition - there are no innovations themselves or are random. The desire and need to make a big profit push the private owner to do something special, useful, which competitors do not have, so that his goods are more attractive and sold better. Economic freedom, competitive markets, the rule of law and private property are the factors that automatically generate innovation and demand for them, investing in an innovative product bridges the road between an idea and an innovative product. Outside of a market economy with free competitive markets, it is impossible to create an IE and self-supporting generation of innovations and innovative products a priori.

National human capital - human capital a country that is an integral part of its national wealth. National human capital includes social, political capital, national intellectual priorities, national competitive advantages and the natural potential of the nation-. National human capital is measured by its value, calculated by various methods - by investment, by discounting and others. National human capital accounts for more than half of the national wealth of each of the developing countries and over 70-80% of the developed countries of the world. The peculiarities of national human capital determined the historical development of world civilizations and countries of the world.

There are certain difficulties in comparative evaluation the cost of the HC of countries with different levels of development. The human capital of an underdeveloped country and a developed country has significantly different productivity per unit of capital, as well as very different quality (for example, significantly different quality of education and medical care).

The influence of human capital on economic growth is also indicative on the example of Japan. In the land of the Rising

Sun, which has been following an isolationist policy for centuries, the level of human capital, including education and life expectancy, has always been high. In 1913, the average number of years of adult education in Japan was 5.4 years, in Italy - 4.8, in the USA - 8.3 years, and the average life expectancy is 51 years (approximately, as in Europe and the USA).

### Types of human capital

Negative human capital is a part of the accumulated HC, which does not give any useful return on investment in it for society, the economy and hinders the growth of the quality of life of the population, the development of society and the individual. Not every investment in upbringing and education is useful and increases the HC. Incurable criminal, hired killer- this is a lost investment for society and the family in them. A significant contribution to the accumulated negative. The HC is made by corrupt officials, criminals, drug addicts, and excessive lovers of alcohol. And just loafers, loafers and thieving people. And, on the contrary, workaholics, professionals, world-class specialists contribute a significant share to the positive part of the HC.

Negative accumulated human capital is formed because of the negative aspects of the mentality of the nation, on low culture the population, including its market components (in particular, the ethics of work and entrepreneurship). Negative human capital requires additional investments in the HC to change the essence of knowledge and experience. To change the educational process, to change innovation and investment potentials, to change the mentality of the population for the better and to increase its culture. In this case, additional investments are required to compensate for the negative capital accumulated in the past.

Non-effective investments in the HC - investments in inefficient projects or family costs to improve the quality of the components of the HC associated with corruption, unprofessionalism, false or suboptimal ideology of development, family problems, etc. In fact, this is an investment in the negative component of the HC.

Positive human capital (creative or innovative) is defined as accumulated human capital that provides a useful return on investment in it in the process of development and growth. In particular, from investments in improving and maintaining the quality of life of the population, in the growth of innovative potential and institutional potential. To the development of the education system, the growth of knowledge, the development of science, the improvement of public health. In improving the quality and accessibility of information. HC is an inertial productive factor. Investments in it only give a return on time, the size and quality of human capital depend primarily on the mentality, education, and knowledge and health of the population. In a historically short time, you can learn a significant return on investment in education, knowledge, health, but not in the mentality that has been formed for centuries. At the same time, the mentality of the population can significantly reduce the coefficients of transformation of investments in the HC and even make investments in the HC completely ineffective.

Passive human capital is human capital that does not contribute to the country's development processes, to the innovative economy, aimed mainly at its own consumption of material goods.

The most important component of the HC is labor, its quality and productivity. The quality of work, in turn, is determined

by the mentality of the population and the quality of life.

### References

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2. "The roots of knowledge are bitter, but the fruits are sweet" -Aristotle
3. Edward Fulton Denison. (December 18, 1915, Omaha – October 23, 1992, Washington D.C.) was an American economist. He was a pioneer in the measurement of the United States gross national product and one of the founders of growth accounting.
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