

## Sustainable Development and Human Capital

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**Abstract:** This article analyzes the content of the concept of "human capital" and various views on it, and reveals its components and features. Also, comments were made on priority tasks aimed at the development of human capital in our country.

**Keywords:** human capital, personality, development, society, education, upbringing, property, knowledge, economy.

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Mankind has appeared, and until now, the influence of man on economic processes has been evaluated at different levels, and specific economic concepts and categories have been developed. In the 18th century, people considered man as a personal factor of production and recognized him as labor power, labor resources, and on this basis, the category of labor power, labor resources appeared in the economy. The concept of human capital was first used in the early 20th century, and on the eve of the 21st century, it was widely used in production, science, education, politics, culture and other fields. It should be noted that until now the word capital has been understood as property, wealth, and what has been achieved. Also, until recently, the concept of capital was understood separately from man. Man was considered only as a tool in the creation of material capital. People and societies finally realized in the last quarter of the 20th century that man is not a tool for capital, but is its owner, creator and user of material and immaterial capital.

In some literature, the emergence of this concept is associated with political processes in the centralized management of the economy during the Soviet era. Another Russian economist, academician S.G. They emphasize that it is related to strumilin<sup>1</sup>. Regarding this concept, the Russian scientist M.M. Haikin said that the part of the population with the necessary knowledge, mental abilities, and physical development, engaged in socially useful work, living in a certain area, constitutes the country's labor resource<sup>2</sup>.

The famous businessman and scientist G. Ford, who made a radical change in the theory and practice of the American economy, justified that the sustainable development of society and a separate organization depends only and only on human abilities, professional abilities and his level of responsibility, and repeatedly emphasized its importance.

In a word, G. Ford believes that the formation of human capital depends on its more general development. However, G. Ford only considers human capital as a means of protecting him from socio-economic risks that a person may face.

Generally, in the social sciences of the Western world, human capital is not interpreted as a great

<sup>1</sup> Колобова А.И. Ларионцева А.М «Некоторые теоретические положения трудовой ресурсов и трудового потенциала». Журнал. Вестник Алтайского государственного аграрного университета №5 (25) 2006.

<sup>2</sup> Хайкин М.М. Управление сферой услуг в развитии человеческого капитала. – СПб.: Изд-во СПбГУЭФ, 2010.

opportunity to mobilize people for creative work. In the course of work, a person is not given the opportunity to realize himself as an integral part of the team, society, and a person who consciously brings benefits to others.

It is known that the encyclopedic definition of capital is capital (from French, English "capital" and Latin "capitalis" - "main, main") is "resources capable of generating income or created by people for the production of goods and services"<sup>3</sup>. The term "capital" is usually used to refer to labor products that are intended to be used in future production. The process of creating capital is called investment. Investing means initially making expenses and then recouping these expenses.

In this way, the concept of human capital in the scientific literature created up to that time was mainly one-sided, that is, human capital was understood as a direct benefit to a person or an opportunity for social protection of a person. The issue of the possibility of benefiting not only one person, but also others through human capital, the need to bring people's heads together in the way of goodness and creativity, in a word, to harmonize with spirituality, has not been studied. Later, the need to use human capital correctly, not only for personal benefit, but for the benefit of society, began to be put on the agenda.

The economist Q. Abdurakhmanov gave a very perfect definition of these economic terms in his textbook "Labor Economics". That is, labor resources are the able-bodied part of the country's population capable of producing material goods or providing services with their mental, physiological and mental qualities. They include not only the economically active population, but also able-bodied persons who are not currently working and are not looking for work, including those who are studying separately from production<sup>4</sup>.

In recent years, in our country, the realization of how important the role of spirituality, that is, the factor of education, is in the acquisition of human capital in the literal sense of the word, has increased. A number of works are being carried out in order to bring up knowledge and competence in a person with a sense of responsibility, the realization of talents with the dream and aspiration of the nation, and the successes achieved as a result of professional development with the need for corporate awareness. In particular, the development strategy of New Uzbekistan for 2022-2026 sets the following tasks.

To create an opportunity for every citizen to study for a specific profession at the expense of the state. Doubling the scope of vocational training, training a total of 1 million unemployed citizens, and increasing the participation of non-state educational institutions in this process to 30%;

gradually increasing the monthly salaries of qualified teachers to the equivalent of 1,000 US dollars;

Targeted preparation of 10 potential higher education institutions to enter QS and THE international ratings by 2026<sup>5</sup>.

Forming the human factor in harmony with knowledge and education will eventually lead to a strong and comprehensive development on a general scale, that is, an "explosion effect" in a positive sense.

The concept of human capital essentially shows the following social characteristics:

- human capital is the driving force of modern socio-economic development;
- development of human capital requires serious efforts and expenses from the state, society

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<sup>3</sup> Экономическая энциклопедия /Гл. ред. Абалкин Л.И. – М., 1999. - С.271. 16

<sup>4</sup> Абдурахмонов Қ.Х. Мехнат иқтисодиёти. Дарслик. Мехнат нашриёти, 2004 й. 204 б

<sup>5</sup> Ўзбекистон Республикаси Президентининг 2022 йил 28 январдаги “2022-2026 йилларга мўлжалланган янги Ўзбекистоннинг тараққиёт стратегияси тўғрисида”ги ПФ-60-сон Фармони.

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and the individual;

- human capital is considered a national reserve as knowledge, experiences, strategic plans, intellectual and spiritual level of people, as well as certain goals, interests and abilities;
- expenses for the development of human capital bring more benefits not only in the near term, but in the long term;
- human potential is transformed into human capital as a result of attention and care given to its owner.

American economist I. According to Ben-Porat's classification, human capital consists of the following components:

- 1) qualitative characteristics and abilities of people participating in the creation of human capital;
- 2) the capital part included in the production and service of other items offered on the market<sup>6</sup>.

G. Becker introduced the concept of "special human capital". This category, in contrast to "general human capital", is a set of knowledge and skills acquired as a result of special training and useful only in production for one's own enterprise. S. Fisher: "Human capital is a measure of the earning capacity embodied in a person. Human capital consists of innate abilities and talents, as well as acquired education and skills<sup>7</sup>.

Increasing level of development, deepening of market relations increases the demand for the labor market and the quality of the employee's profession. After all, the requirements of the modern market demand that the person performing the work should have comprehensive and deep knowledge.

It is known that knowledge has a direct impact on the quality of the services provided or the products produced.

In recent years, the spiritual-intellectual level of the population of our country, the level of professional competence has increased sharply. It should be noted that during the time of the former Soviets, people were not interested in the results of their work. While doing a job, people felt themselves mainly as participants in the work process, they did not realize that they were interested or responsible for the result of their work. Due to independence, the labor phenomenon has turned from a means of ensuring a certain work activity process into a factor consciously directed to the achievement of the final result. One of the most important socio-spiritual achievements achieved with the honor of independence was the essential change of the meaning of work.

The role of the labor factor in the development of human capital is incomparable. In the recent past, people were mainly interested in working within a certain time frame and working time faster. They did not think or even expect to benefit from the results of their work.

According to the opinion of sociologist M. Weber, the attention to the human factor increases sharply in societies that have moved to the path of rapid development. The need for people with initiative, innovative thinking, the ability to find the most correct and optimal solution in non-standard situations, and the ability to take responsibility is rapidly increasing.

The increasing trend of relying on individuals to rely on individuals with comprehensive knowledge is an expression of sustainable development in society. That is why education of educated, enterprising, responsible persons is given priority in our country. Since the first years of independence, the development of human capital has been comprehensively approached, and special attention is paid to the following structural aspects within its content.

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<sup>6</sup> Ben-Porath. The Production of Human Capital and the Life Cycle of Earnings. – N.Y.; - L, 1970.- P.49.

<sup>7</sup> Фишер С., Дорнбуш Р., Шмалензи Р. Экономическая теория.–М.:Юнити, 2002.- с. 21.

- labor potential of people;
- health status;
- intellectual level;
- organization, entrepreneurial potential;
- level of cultural and moral development;
- scope of activities based on social cooperation;
- the capacity to manage oneself, employees and the organization.

In the current scientific literature, it is noted that the value of human capital is determined by the amount of funds spent by the state for the formation of a person who lives in accordance with the rules of society and the requirements of the law, as well as a specialist who can work at the level of modern requirements.

It should be noted that human capital is a property that cannot be separated from its owner and that no one can take this capital away from him. Therefore, human capital is the most unique value of society and the main driving force of social development. Simply put, human capital is the knowledge of each person, rich professional experience, social goals aimed at creation, creativity. The scope of investments aimed at enriching human capital includes activities aimed at improving professional skills of acquiring knowledge, strengthening health, and forming the capacity to find new information, acquire it and use it effectively.

During the years of independence, the development of human capital has been regarded as a priority task of our social development. The 12-year compulsory education introduced in our country and the implementation of several levels of higher and further education, which prepare each student for life with several professional skills and qualifications, are of great importance in ensuring the pace of sustainable development.

Currently, the general public is increasingly interested in knowing not only the current state of well-being and development in the countries of the world, but also how it will be tomorrow. Because the desire of the most developed countries of the world to know in advance what socio-economic status of their funds to invest in the countries is causing such interest. It is worth noting that Uzbekistan's development characteristics at the same time are being recognized by many countries of the world as steadily rising and worthy of learning as a positive experience.

In particular, according to the results of the research carried out by the international business school "Insead", one of the most important organizations of the world in France, according to the comprehensive analysis of the cases of innovative development identified in 141 countries of the world, Uzbekistan took the 35th place in terms of the human capital development indicator.

Our country ranks second in the world in terms of the level of development of the education system, which is the main driving force of human capital. Such an indicator is of decisive importance in the realization of our national strategy, which was put forward by our head of state, that is, our goal of becoming one of the most developed, democratic countries in the world.

At the international conference dedicated to the development of the education sector held in 2021, the leaders of the education sector from 112 countries, great scientists in our country spoke about the integration of education and spirituality in our country. they unanimously recognized the experience of being placed as positive and instructive. The words of Academician P. Sadovnichy, rector of Moscow State University, in his speech at the conference and in his interview at the airport after returning to Moscow, "I learned that we have to learn a lot from Uzbekistan" deserve special attention.

Also, the words of the President of the Asian Development Bank, Hamid Rakhmon, that "good and exemplary works for the people of the world, which are carried out in Uzbekistan for the well-being of human life, are the basis for directing the capabilities of our bank to the economy

of your country with confidence", makes each of us proud.

It is known that at present, a significant percentage of the state budget in our country is allocated for education, medicine and other types of social assistance.

This means that almost 60 percent of our national wealth found in our country is directed directly to human interests, that is, to the development of human capital.

In short, the total wealth of society depends on human capital and other capitals. Human capital includes the sum of investments in areas such as education, while other capital includes natural resources, buildings, and technology. Investments in people's knowledge and skills are made in three stages. First, in childhood, the acquisition of human capital often depends on the decisions of others. Parental resources and recommendations, in addition to the cultural environment and early school experiences, influence how a person approaches language learning, math comprehension, interest in learning, and overall health. In the second stage, teenagers and young adults spend their full time in high schools, lyceums and colleges and training programs. Finally, once they enter the labor market, human capital enrichment of workers is done through on-the-job training, night schools, and short-term training programs. It is necessary for each of us to strive with a deep understanding that the development of human capital will ultimately enable our country to take a worthy place among the developed countries of the world.