



HUMAN CAPITAL DEVELOPMENT IS AT THE CENTER OF OUR GLOBAL DEVELOPMENT STRATEGY

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ABSTRACT

This article presents proposals and recommendations on other forms of capital to organize the rapid implementation of business initiatives and projects in our country, to establish a system of communication with the population, to develop the standard of living and human capital of the population, and to increase the quality and level of production of human capital. It analyzes the human capital risk gap between a company or organization's human capital requirements and the available human capital of its workforce. Proposals for increasing the income of the population, pension provision, and creating a social protection system for the low-income segment of the population are presented.

KEY WORDS

Human capital,
employment, social
protection, investment,
economic growth,
economic regions.

Introduction

The term human capital refers to the experience of a worker and the economic value of a country. Human capital includes assets such as education, training, intelligence, skills, health, and others such as loyalty and loyalty to employers.

Human capital is the skills and health in which people invest and accumulate over the course of their lives, enabling them to fulfill their potential as useful members of society. Investments resulting from achieving quality nutrition, health care, providing quality education, creating jobs and vocational education in the field of human development, which are a necessary condition for eradicating one's own poverty and building a more socially cohesive society.

The human capital deficit is dangerously on the rise amid rapid global changes in technology, demographics, instability and climate. Conflicts and pandemics can have a devastating impact on human capital, taking lives, destroying livelihoods, degrading nutrition, and disrupting basic health and education services. These effects are likely to persist throughout many people's lives, reducing their productivity. Yet investing in people is often neglected. In the meantime, there are many examples of the rapid transformation of human capital for example, in countries such as Singapore, the Republic of Korea, and Ireland and of the remarkable successes of some of the world's poorest countries. Ensuring sustainable business growth and job creation – The Bank Group provides policy advice and financial assistance to companies and financial institutions to help companies, especially small and medium-

sized enterprises, survive the crisis and return to growth. Development of human capital helps leaders create a policy platform that will prioritize transformative investments in health, education and social protection. The challenge is to move rapidly towards a world where all children are well-nourished, come to school ready to learn, can expect to receive real learning in school, and are able to enter the labor market as healthy, skilled and productive workers.

Failure to invest effectively in human capital around the world has high costs, especially for the poor. These costs will put future generations at a disadvantage. Human capital is considered to increase efficiency and profitability. As an example, the more a company invests in its employees, the more likely it is to be efficient and successful.

It can be said that we have a two-fold opportunity to make our Republic one of the developed countries because we have natural resources and the presence of potential human resources. The concept of human capital recognizes that not all work is equal. But employers can improve the quality of this capital by investing in employees. This can be done through the knowledge, experience and skills of the employees. All this has great economic value for employers and the economy as a whole[1].

Investing in the knowledge and skills of Uzbekistan's youth will be carried out in three stages. First, the acquisition of human capital in early childhood is often determined by the decisions of others. Parental resources and management, as well as the Uzbek cultural environment and early learning experiences, help to influence basic language and math skills, attitudes toward learning, as well as general health and life expectancy (which themselves affect the ability to work). Second, teenagers and young adults go through a phase where they gain knowledge and skills as students in a full-time high school, vocational education program, or university. Finally, the integration of workers into their human capital once they enter the labor market usually occurs on an incomplete basis through in-service training, evening school, or participation in relatively short formal curriculum courses[2]. The Human Capital Index (HCI) quantifies the importance of health and education to the productivity of the next generation of workers. Countries use it to determine how much of their income they are losing due to a lack of human capital, and how quickly they can turn those losses into gains if they act quickly. In addition to the Index, and to support countries in taking effective action, reliable measurements and studies are carried out. Reliable estimates of education and health outcomes at the national level help countries understand what interventions are really making a difference and where resources should be directed. It also raises awareness among decision makers about the value of investing in human capital, creating momentum for government action.

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There is a strong relationship between human capital and economic growth, so it helps boost the economy. This is because people have different skills and knowledge. This relationship can be measured by how much is invested in people's education. Also, in the investment made in education, mature strategies have a great role in glorifying the value of a person [3].

There are other forms of capital to increase the quality and level of production of human capital. This requires an investment in the education, training and benefits of the organization's employees.[4] Human capital risk refers to the gap between the human capital requirements of a company or organization and the available human capital of its workforce.

This gap can lead the company to inefficiency, failure to achieve its goals, bad reputation, fraud, financial losses and ultimately closure. In order to reduce and eliminate the risk of human capital, the organization must train and support its workforce[5]. Its value is in the leading position in the economic development of the population. Acquired and useful skills of population or community members[6].

The Human Capital Index is an integral indicator of the amount of human capital that a child born today can accumulate by the age of 18, taking into account the risks associated with poor health and education in the country in which he/she lives.

Acquiring such talents through the care of the recipient during his education, training, or apprenticeship is always worth the real cost, which capital is invested and, so to speak, exercised in his person. These talents are part of his wealth as well as the happiness of the society he belongs to[7].

In order to increase the level of employment of the population in the regions, the elements regulating the layers of the population in need of the composition of the economically active population are providing employment to the needy layer of the population, increasing the income of the population, pension provision, creating a social protection system for the low-income population layer [8].

An important innovation is that this index measures the contribution of health and education systems to the productivity of individuals and countries, based on deep microeconomic analysis.

With values ranging from 0 to 1, the index takes on a value of 1 only if a child born today is able to achieve full health (defined as not being stunted and at least 60 years of age) and reach their full potential to receive formal education (defined as being educated in a first-class school by age 18 after 14 years of schooling).

Intensification of the processes of globalization in the 21st century, the 21st century, in turn, as a result of scientific researches, scientific developments and ideas within the programs based on IT technologies, is aimed at creating workplaces provided with new techniques and technologies, attracting modern techniques and technologies in the sectors and industries necessary for the development of the country. introduction of innovative management system.

The positive solution of this direction, in turn, creates opportunities for the development of the economy of regions with a lot of labor resources and a small land area. Economic growth refers to an increase in aggregate supply, or in other words, an increase in real and potential GDP. The following factors are included in this group of economic growth:

1. quantity and quality of natural resources;
2. number and quality of labor resources;
3. the size of the main capital;
4. organization of technologies and production;
5. is the level of development of entrepreneurial skills in society.

Demand and distribution factors of economic growth decrease the degree of monopolization of the market; tax environment in the economy; efficiency of the credit-banking system; growth in consumption, investment and government spending; increase in export volume; opportunities for redistribution of production resources in the economy; established system of income distribution.

A country's score reflects how far it is from the optimal indicator of complete education and good health. If a country's Human Capital Index is 0.70, this means that the level of future income that a child born today can expect will be 70% of the level that he could achieve with a full education and full health.

The index is presented as an average of each country and includes a breakdown by gender in countries for which relevant data are available.

The index can be directly linked to future income scenarios for countries and individuals. If a country's score is 0.50, then future GDP per worker could be twice as high if the country were to achieve the target of full education and good health.

Analysis of literature on the topic

In the conditions of modernization of the economy of Uzbekistan, scientists of our country are conducting a number of scientific researches in the fields of labor economy and demography. In particular, the scientific and methodological foundations of issues such as the demographic aspects of increasing human capital and employment of the population, regulating the labor market, creating decent working conditions, academicians R.A. Ubaydullaeva and K.Kh. Abdurahmonov, professors: B.Kh. Umurzakov, N It is reflected in the scientific researches of K. Zokirova, N. Kh. Rakhimova, A. Kayumov, S. Salaev, A. Ata-Mirzaev, Z. Ya. Khudoyberdiev, G. K. Abdurakhmonova and others[10].

Adam Smith laid the groundwork for the study of human capital in *The Wealth of Nations* (Smith, 1776). Although he does not use the term human capital, he defines the acquired and useful skills of an individual as the main source of a country's wealth and economic development[11].

Originally developed by Becker (1962) and Rosen (1976), human capital theory states that individual workers possess a set of skills or abilities that can be improved or accumulated through training and education[12].

In the 1960s, economists Gary Becker and Theodore Schultz argued that education and training are investments that can increase productivity. As the world has accumulated more and more physical capital, access to school has declined. Education has become an increasingly important component of the workforce. The term was also adopted by corporate finance and became part of intellectual capital and more broadly as human capital[13].

Not all economists agree that human capital directly increases productivity. For example, in 1976, Harvard economist Richard Freeman argued that human capital acts only as a signal of talent and ability; real productivity came later through education, motivation and capital equipment. He concluded that human capital should not be considered as a factor of production [14].

Around the same time, Marxist economists Samuel Bovels and Herbert Gintis argued against human capital theory, arguing that turning people (i.e., labor) into capital essentially displaced debates around class conflict and efforts to strengthen workers' rights.[15]

Vladimir Mau "Human capital. Challenges for Russia"(2013) The dynamism of the modern economy, in which new fields of activity and professions are constantly emerging, requires a constant change of skills, continuous education and adaptation to new challenges. A person who is not able to learn continuously is on the edge of development and cannot be considered successful in any way[16].

The American economist Edward Denison (with contributions from Robert Solow, John Kendrick and others) developed a classification of factors of economic growth. Of the 23 factors he chose, 4 describe the contribution of labor, 4 to capital, 1 to land, and 14 to science and technology development. According to Denison, economic growth is determined not by the number of factors consumed, but by their quality and the growth of this quality.

Denison prioritizes the quality of its workforce. From *Analysis of US Economic Growth 1929-82*. Denison came to the conclusion that the most important component of human capital is education [17].

Research methodology

The relationship between human capital and economic growth, as well as the role of mature strategies in the promotion of human capital in investment in education, the study of existing scientific research, comparison of human capital with global indicators, statistical data, and economic comparison and analysis methods were widely used.

Analysis and results

In the Republic of Uzbekistan, based on the specific characteristics of the number and structure of the population of the regions, the geographical location of the regions and the availability of natural resources, that is, each region requires the use of forms and methods suitable for the local labor market. Of course, currently created free economic zones and small industrial zones do not contribute enough to increase the economic potential of the regions.

In this regard, self-government bodies of citizens demand the development of normative documents on the use of unused estates and plots of land of peasant farms through the formation of small industrial zones and service provision in the territory of the neighborhood. The process of human capital application can be imagined as a sphere of human capital market subjects' interactions. On the supply side, highly qualified specialists, engineers, and inventors appear on the field, on the demand side, innovation-oriented organizations, enterprises, research laboratories, technoparks, which are the main participants of the innovation process, appear. The subject of interaction in the human capital market is the unique abilities of people, creative thinking, and knowledge aimed at creating innovations.

Tashkent, Uzbekistan – The World Bank has published a new systematic country diagnosis that analyzes the main problems and opportunities of Uzbekistan's development. It includes policy recommendations for removing barriers to private sector growth, reducing the role of the state in the economy, focusing on people and their human capital, and transitioning to a green economy. The report became the basis for choosing the priority areas of cooperation of the World Bank Group with the government of Uzbekistan in 2022-2026.

In April 2022, the World Bank completed the second systematic country diagnosis for Uzbekistan. This flagship report is produced every five years for a partner country to identify key challenges and opportunities to end poverty and promote shared prosperity.

Among the countries of Central Asia, the human capital of liberalized countries has reached the highest indicators. By combining human capital and research, according to the human capital indicator, Central Asian countries with a high degree of liberalization appear to improve their development results, with Kyrgyzstan leading the region.

Conclusions and suggestions

The issue of increasing the share of rural youth in the composition of youth aged 14-30 is put forward to enable young people to enter competitive human capital from childhood.

President of the Republic of Uzbekistan Sh. In Mirziyoev's Address to the Oliy Majlis, it was emphasized that the development of our country and the well-being of our people are first of all closely related to the results of reforms in the social sphere.

One of the areas that serve to strengthen the competitive environment and create a competitive environment aimed at developing work activities is to strengthen relations with international financial institutions and leading international organizations in order to develop international cooperation in the

field of higher education, and in this regard, support innovative initiatives that are in the interests of the country's education system. It should be said that economic growth and development depend on both human capital and material resources, as well as factors affecting efficiency. Investments in these sectors complement and reinforce each other

Human productivity depends on the availability of material assets such as infrastructure, equipment, and a stable, well-managed economy.

At present, the role of human capital in the development of the state is important, because intellectual thinking and innovative environment under the influence of the human factor are important.

Innovation is one of the most important strategic resources of any country. Successful solving of socio-economic problems, introduction of new industrial and financial technologies, development of innovation-investment infrastructure, increase of intellectual potential, production of exportable products, substitution of imports, accumulation of foreign exchange reserves are to a certain extent related to innovative activities.

Human capital in a broad sense is an intensive productive factor of economy, society and family development, including the knowledge and skilled intellectual part of the workforce, managerial labor tools, the environment and the sum of labor activities. Human capital can be briefly defined as intelligence, health, knowledge, quality and efficient work and quality of life. The formation of human capital is reflected in the following: firstly, the national economy in a modern civilized society cannot develop without highly educated and qualified workers, and secondly, one of the main features of the future is the introduction of digital technologies into human life.

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