

Impact Factor:

ISRA (India) = 4.971
ISI (Dubai, UAE) = 0.829
GIF (Australia) = 0.564
JIF = 1.500

SIS (USA) = 0.912
PIHHI (Russia) = 0.126
ESJI (KZ) = 8.716
SJIF (Morocco) = 5.667

ICV (Poland) = 6.630
PIF (India) = 1.940
IBI (India) = 4.260
OAJI (USA) = 0.350

SOI: [1.1/TAS](#) DOI: [10.15863/TAS](#)

International Scientific Journal Theoretical & Applied Science

p-ISSN: 2308-4944 (print) e-ISSN: 2409-0085 (online)

Year: 2020 Issue: 04 Volume: 84

Published: 30.04.2020 <http://T-Science.org>

QR – Issue



QR – Article



Mukhriddin Makhamadaminovich Sodirjonov
Namangan State University
researcher

EDUCATION AS THE MOST IMPORTANT FACTOR OF HUMAN CAPITAL DEVELOPMENT

Abstract: This article highlights the role of education systems in the development of human capital. The priority of a state-directed education policy is important. In the investment policy of the state, the business activities of human capital are well appreciated.

Key words: Education, human capital, ability, profession, investment, strategy, optimization, health, spirituality, intellect, youth.

Language: English

Citation: Sodirjonov, M. M. (2020). Education as the most important factor of human capital development. *ISJ Theoretical & Applied Science*, 04 (84), 901-905.

Soi: <http://s-o-i.org/1.1/TAS-04-84-161> **Doi:**  <https://dx.doi.org/10.15863/TAS.2020.04.84.161>

Scopus ASCC: 3304.

Introduction

The process of formation of human capital as a factor of social production in the socio-economic development of the country has entered a new phase. Human capital has become an important component of the modern economy. The priorities of the state investment policy and the role of the state in the economic sphere will change. In this way, the education system is developing as the main source of human capital formation. In these conditions, there is a growing demand for the institutionalization of human capital, which forms the whole component of economic relations, and the relationship itself.

Since the second half of the twentieth century, attitudes towards human capital and education have begun to change dramatically. Theoretical and practical aspects of the development of human capital were first studied by foreign economists - scientists A. Smith, T. Schultz, G. Becker, E. Denison, R. Solou, and S. Fisher [1]. T. According to Schultz [2], it allows for a consistent distribution of capital: human capital and property [3]. In the microwave, the concept of human capital was first introduced by G. Becker [4] began to apply.

A. Smith emphasizes the importance of human capital in the development of an individual's learning skills and his/her specialization in the benefits to society [5]. In our view, human capital has been

measured by the ability to create new value from the perspective of that time.

According to S. Voronina, human health is an important issue, which is the basis of socio-economic development in any country. He argues that the health of the population forms the human capital[6].

I.V. Ilinsky believes that human capital consists of education capital, health capital and cultural capital[7].

Russian economist S.A. According to this principle, Dyatlov argues that human capital is a specific resource of health, knowledge, skills, motivation, formed by human investment. This reserve helps to increase labor productivity and production efficiency while using it in a particular area of social production, thus affecting that person's salary (income)[8].

V.T. Smirnov and I.V. Skoblyakova points out that human capital needs to be assessed at the level of an individual, a group of companies or a group of enterprises[9].

The theory, scientific and practical aspects of "human capital" in Uzbekistan, improvement of the practice of human capital development and investment in the market economy of Uzbekistan, mechanisms and tools of implementation of strong social policy are supported by the economists of Uzbekistan, L.M. Tashpulatova, N. Abdullaeva,

Impact Factor:

ISRA (India)	= 4.971	SIS (USA)	= 0.912	ICV (Poland)	= 6.630
ISI (Dubai, UAE)	= 0.829	PIHHI (Russia)	= 0.126	PIF (India)	= 1.940
GIF (Australia)	= 0.564	ESJI (KZ)	= 8.716	IBI (India)	= 4.260
JIF	= 1.500	SJIF (Morocco)	= 5.667	OAJI (USA)	= 0.350

Q.Kh. Abdurahmanov[10], Problems with the improvement of marketing services in the market of educational services A. V Vakhobov, Sh.Sh.Shodmonov, H.P Abdulkosimov, TT Juraev, SS Gulamov, E.G Nabiev, G.N Akhunova, M.H Saidov, A.S Kucharov, K.S Allimjanov, M. Saidov, A. Researched by O. Ergashev, G.S Kasimova and A.H Eshboev. The harmony and inseparability of human capital with spirituality has been scientifically grounded for the first time in President Islam Karimov's book "High Spirituality – an invincible Power." Especially noteworthy are the wise words of our President to educate the person with the sense of responsibility and competence, the aspirations of the nation, the aspirations of the nation, and the need for continuous corporate awareness of the successes achieved through professional development.

Also, from the social point of view of human capital, M. Bekmurodov[11], M. Kuronov[12], A. Researched by Umarov, U. Haitov, M, Abdujabbarova and others.

Human capital is a person's wealth, and various sectors of society are transformed, consumed, and promoted in material and spiritual production. This process, in turn, improves the quality of life and improves the quality of life. As a result, it will stimulate new knowledge and professional aspirations and lay the groundwork for the future.

Research has raised some questions about the concept of "human capital": why the complexity of human capacity in all spheres of society is interpreted as capital.

The following arguments are marked as arguments:

- It takes the form of capital as a result of human ability in society. The ability of a person and the wealth of his or her position in life, and that of his or her personality, is a characteristic of a human being. These features cannot be bought or sold separately from the person.

- The creative qualities of a person are the qualities that enable him to achieve great material and spiritual income in the future.

- The creative ability of a person is not only a material form of money but also a spiritual, social, and spiritual success.

- In order to build creativity and creativity in the individual, the society needs to attract individual requirements to each individual. Need to spend. (Each individual must pay special attention to the investment of human capital, not only the individual, but the society and the state.

Human capital can be assessed individually by the following indicators:

- Human resources organization and management structure;

- A level of gratitude for satisfaction with life;

- educational level;

- Occupation, experience;

- high spirituality and culture

- time and cost of education;

- health care, prevention;

- talent, ability and talent;

Sources of formation of human capital

- State Programs (State Reformer)

- Education system

- Health

- Non-governmental non-profit organizations

- Culture and Art Institutions

- Information services

- Family

Human capital is a social factor that has a significant impact on the innovation activity of the country.

The following features of human capital can be distinguished:

Firstly, human capital is not inseparable from its owner - employee of the enterprise or region's population;

secondly, the bulk of human capital (which is sometimes referred to as health capital), which includes physiological features and natural abilities of the person, is inherited; the other part of knowledge, skills and qualifications is awarded as a result of the individual's and society's aspirations;

thirdly, human capital, like any other capital, can be used in social production and is one of the most important factors in increasing its efficiency;

Fourthly, human capital is used by its owner for profit, so an increase in income justifies the rise of individuals' intellectual potential through education and training.

The main aspects of human capital are defined as:

- 1) The level of knowledge, skills and qualifications of various levels of production and human resources formed in the process of investing in a person;

- 2) Based on the accumulated knowledge, a person progresses and develops himself in some area of community development.

- 3) Based on the skills accumulated, a person achieves proportionate materiality, and the national income of himself and society is established in the form of a salary.

- 4) Ensure that the Company contributes to its revenue growth by investing in it, and that it acquires new knowledge, skills and experience in the future.

It is important to differentiate human capital into the following types:

1. Common (mixed) human capital can be used by any creator and any expert. This applies to everyone in the general specialty process. These are the aspects that are common to human capital development.

2. Special human capital. Special Aspects of Human Capital Development. (pure, non-mixing, specialized, specialized, special)

Impact Factor:

ISRA (India)	= 4.971	SIS (USA)	= 0.912	ICV (Poland)	= 6.630
ISI (Dubai, UAE)	= 0.829	PIHHI (Russia)	= 0.126	PIF (India)	= 1.940
GIF (Australia)	= 0.564	ESJI (KZ)	= 8.716	IBI (India)	= 4.260
JIF	= 1.500	SJIF (Morocco)	= 5.667	OAJI (USA)	= 0.350

It is the basis for the formation of human capital in a limited environment.

As a result of this (human resources, as a result of special training, experience in creative activity, research and research, human capital is enriched), human capital develops in the workplace, in the production process, in the creative process. This process involves the change in the place of residence and the environment in which the person is invested.

Human capital is more clearly manifested by three factors. They are physical, social and economic factors. The basic basis of human activity is its health, that is, its physical maturity. It then builds its vision of change over time and space, thereby acquiring certain skills. Consequently, a person with knowledge and skills contributes to the economic processes of production and creates economic value.

Human capital is a structural element of the economy and becomes the essence of the new economic theory, taking into account its impact on all aspects of the socio-economic system. When formulating strategic directions of social change it is impossible to rely on objective laws of social and economic development, formed under the influence of human capital. In this context, it is important to study the structural changes in the processes of human capital formation.

The state is implementing the process of building the educational potential as a result of investment in human capital. In other words, education should be analyzed in three stages. In the first stage, it is a resource, along with other economic resources. In the second step, the labor market is the production factor in the educational structure as a result of the selection of workers with a certain level and quality of education for each organization and institution. The third stage identifies the level and quality of education - the educational potential, which is determined by institutional, organizational, technological and other conditions.

K. McConnell and S.. Bruce outlines three types of investments in human capital:

- education, including general and specialized, formal and non-formal education, workplace training;
- Expenditures for health care (disease prevention, health care, diet, and improved living conditions);
- costs of mobility that allow employees to migrate from relatively low-performing areas to more productive ones[13].

To date, human capital investment has become a key factor in ensuring economic and social well-being.

Investments for health and education are of the utmost importance in the most effective human capital investment.

Education, or rather its quality, is seen as a way to increase individual income and as a source of economic success. It will become a leading network

of human capital, as human health directly contributes to the growth of capital and its social well-being.

The "investment period of human capital" covers almost the entire life cycle of a person (throughout his or her lifetime, a person needs normal living conditions; health and education are important to him). In the structure of investments in human capital it is advisable to allocate the following types of expenses:

investment in education and education increases people's knowledge and thus increases the amount of human capital;

reduction of health care costs, including occupational safety and reproductive services, morbidity and mortality;

raising children (a form of improving human capital in the next generation);

finding employment and improving reclamation of labor (migration provides labor mobility to better paid places and industries);

the cost of finding pricing and income information reduces the risk and uncertainty in investing in human capital.

Analysis has shown that the literature has different approaches to the content of the concept of "human capital". Several authors have asserted that this content is owned by the individual. Other authors treat human capital as income. The third group of authors and many of them understand the resource used by firms (or other investors) to make a profit with human capital.

Education and intellectual potential The human and human capital formation in the form of capital includes the movement of the human factor.

The coverage of higher and secondary special education graduates in Uzbekistan for the past period was at the level of 9-10%. As a result of measures taken over the last two years, this figure has increased by 15%. But that's not enough. Because, according to the experience of the developed countries of the world, these rates make 60-70%. That is why the President of the country has set the goal of increasing the coverage of graduates with higher education by 20% in 2019 and increasing them in the coming years[14].

One of the most important factors in improving the competitiveness of human capital is related to institutional innovation in the system of vocational education.

Institutional innovation in the education system is associated with the improvement of educational programs. One of the main directions of development of education in Uzbekistan is its informatization. In practice, evolutionary institutional innovation is driven by the introduction of computerized curricula. At the initial stage of learning new technologies, there are some difficulties: inadequate and qualitatively organized material and technical base, lack of teachers with modern information technology, lack of

Impact Factor:

ISRA (India)	= 4.971	SIS (USA)	= 0.912	ICV (Poland)	= 6.630
ISI (Dubai, UAE)	= 0.829	PIHHI (Russia)	= 0.126	PIF (India)	= 1.940
GIF (Australia)	= 0.564	ESJI (KZ)	= 8.716	IBI (India)	= 4.260
JIF	= 1.500	SJIF (Morocco)	= 5.667	OAJI (USA)	= 0.350

information and technical knowledge and culture in students.

Institutional innovation in the education system is linked to changes in the state educational standards, as well as changes in the organizational and legal form of universities. Currently, a new third generation of state educational standards is being developed, taking into account the requirements of the human development market and international trends in the development of education, as well as the gradual transition to two-level higher education.

The education system is the development of socially-approved behaviors designed to meet the needs of society in the socialization of young people, the system of institutional value by people in a particular development process.

Investments in education are not only an important way to develop the country, but also a social policy aimed at improving the prospects for human capital and socio-economic development. As a result, it will improve the human capital and facilitate the welfare and wellbeing of people. It is important to note that human capital is a form of individual capital of each person. The skills, knowledge, skills and experience of a person are the property of every young person.

There is a Global Innovation Index Ranking, which is compiled by reputable international organizations, which reflects at least 130–140 countries' achievements in the field, patents for inventors, and annual research and education contributions. Switzerland has been leading this rating for 7 years.

Sweden, the Netherlands, the USA and the United Kingdom are the next.

Estonia is ranked 25th, and Kazakhstan is 78th. Uzbekistan was last ranked in 2015 and did not climb to the 122nd position[15].

In our country, the role of social institutions, NGOs and private investors is important in attracting investment in human capital. In this process, the government gives an objective assessment of the formation and development of private sector partnerships. In recent years, the idea of investing in human capital has been highly supported and reflected in sectoral reforms.

The key components of human capital include education and professional skills, motivation for health, work and education, mobility, natural ability, and shared cultures.

In the community system, many studies show that there is a stable positive correlation between the level of education and other embedded traits, that is,

education can be considered as a major factor in capital formation for other positively rated qualities of workers. The main area in which human capital is formed is education, so it is important to pay attention to the actions of society and the state. Education is the area of the strategic interests of society, so its status and development are factors of social development and economic growth. Therefore, at this stage, the two most important points are: (1) restoring education that has lost social function, resulting in the formation of social and human capital; (2) the education system should be the basis for the formation of the intellectual elite of our society (Gius, 2004). Investing in education is an important resource for the development of high quality human capital in an innovative economy.

Education shapes the creative characteristics of citizens who are capable and willing to make rational and effective decisions that contribute to the country's competitiveness. The basic principle of "continuing education" is that investing in education is a key element of the socio-economic activity of the individual - and, most importantly, the task of continuous education modernization.

Education and production experience are the main source of knowledge and skills. At the same time, education forms a common human capital that enables a person to quickly learn new knowledge and skills in the process of learning from experience, as well as adapt to changes in the economic and social environment, and successfully integrate new technologies into everyday practice. Labor skills are acquired through the production experience and the skills are being developed.

The efficiency and return on the use of human capital depends on the mobility of labor resources. They, as the bearers of human capital, must react quickly to changes in the economy and be reorganized in areas of high efficiency and efficiency.

Human capital mobility is one of the most important investment in human capital, along with education and health. Any education investing is meaningless unless a person who has been educated has the opportunity to apply his knowledge to work because of a lack of employment or conditions for starting an independent business in a particular area.

One of the right directions for the development of the country's economic potential should be an innovative development strategy based on the realization of human capital. Effective use of people's knowledge and skills to continuously improve technology, economic outcomes, and community life in general.

Impact Factor:

ISRA (India) = 4.971
ISI (Dubai, UAE) = 0.829
GIF (Australia) = 0.564
JIF = 1.500

SIS (USA) = 0.912
PIHII (Russia) = 0.126
ESJI (KZ) = 8.716
SJIF (Morocco) = 5.667

ICV (Poland) = 6.630
PIF (India) = 1.940
IBI (India) = 4.260
OAJI (USA) = 0.350

References:

1. Smit, A. (2007). *Issledovanie o prirode i prichinah bogatstva narodov.* (p.684). Moskva: Eksmo.
2. Shultz, T. (1968). *Human Capital in the International Encyclopedia of the Social Sciences.* N.Y.. vol.6.
3. Becker, G. (1964). *Human Capital.* N.Y.: Columbia University Press.
4. Denison, E. (1974). «Analiz ekonomicheskogo rosta SSHA s 1929 po 1969» (Accounting for United States Economic Growth, 1929-69; p.576).
5. Solou, R. (1962). *Policy of Full Employment.* (p. 638).
6. Fisher, S., Dornbush, R., & Shmalenzi, R. (2002). *Ekonomicheskaya teoriya.* (p.378). Moscow: YUniti.
7. (n.d.). Teodor Uilyam SHults (Theodore William Schultz, 1902 yil 30 aprel, Arlington — 1998 yil 26 fevral, Ivanston, AQSH) — amerikalik iqtisodchi, “rivojlanayotgan mamlakatlardagi iqtisodiy rivojlanish muammolari tadqiqotlari uchun” 1979 yilgi Nobel mukofoti laureati. Asosiy asarlari: “Jahon uchun oziq-ovqat” (“Food for the World”, 1945); “An’anaviy agrar sohasining transformatsiyasi” (“Transforming Traditional Agriculture”, 1964).
8. Shultz, T. (1994, May). Human Capital, family planning and their effects on population growth. *American Economic Review*, (p.45).
9. (n.d.). Geri Stenli Bekker (Gary Stanley Becker, 1930 yil 2 dekabrda tugilgan) — amerikalik iqtisodchi, “mikroiqtisodiy tahlil sohasini insonning qator xususiyatlariga qo’llash uchun” 1992 yilgi Nobel mukofoti laureati. Asosiy asarlari: “Kamsitishning iqtisodiy nazariyasi” (“The Economics of Discrimination”, 1957), “Inson kapitali” (“Human Capital”, 1964), “Iqtisodiy nazariya” (“Economic Theory, 1971”).
10. Smith, A. (1776). *An Inquiry into the Nature and Causes of the Wealth of Nations Book 2 - Of the Nature, Accumulation, and Employment of Stock, London.*
11. Voronina, S.YU. (2014). *Ekonomicheskie osnovy funkcionirovaniya avtonomnyh uchrezhdenij v sfere uslug zdravooxraneniya:* diss. . k.e.n, (p.141). Sankt-Peterburg: SP GEU.
12. Il’inskij, I.V. (1996). *Investicii v budushchee: obrazovanie v investicionnom vosproizvodstve.* (p.127). SPb.: SPbUEF.
13. Dyatlov, S.A. (1996). *Teoriya chelovecheskogo kapitala:* Uchebnoe posobie. (p.72). SPb.: SPbUEF.
14. Smirnov, V.T., & Skoblyakova, I.V. (2001). *Klassifikaciya i vidy chelovecheskogo kapitala v innovacionnoj ekonomike.* (p.2003). SPb.: Prospekt.
15. Abduraxmonov, K.H. (2013). *Inson tarakkiyoti. Darslik.* (p.542). Tashkent: Iktisodiyot.
16. Bekmurodov, B.M. (2015). *Inson kapitali-taraqqiyot omili.* Toshkent “Ma’naviyat”.
17. Quronov, M. (2014). *Inson kapitali - iqtisodiyotning ma’naviy sarmoyasi.* Voyaga yetmaganlar nazoratsizligi hamda qarovsizligining oldini olishda oila, uzluksiz ta’lim muassasalari, mahalla va huquq- tartibot organlarining o’zaro hamkorligi Respublika ilmiy-amaliy konferentsiya materiallari 18-19 aprel, Guliston, pp.22-26.
18. Makkonnell, K.R., & Bryu, S.L. (1992). *Ekonomiks: principy, problemy i politika.* T. 2, (p.87). Moscow: Respublika.
19. (2018). *Uzbekiston Respublikasi Prezidentining olij Mazhlisiga Murozhaatnomasi.* «Halk suzi», 29 dekabr.
20. Hudojshukurov, Z. (2018). *Innovaicon rivozhlantirish strategiyasi mamlakat tarakkiyotini belgilaj-di.* «Halq suzi», 26 sentyabr’.
21. Yusupalieva, D. K., & Sodirzhonov, M. M. (2017). Mass media in Uzbekistan: development trends, dynamics and prospects. *Modern Science*, (1), 23-25.