iJRASET
International Journal For Research in Applied Science and Engineering Technology



# INTERNATIONAL JOURNAL FOR RESEARCH

IN APPLIED SCIENCE & ENGINEERING TECHNOLOGY

**Volume:** 10 **Issue:** XII **Month of publication:** December 2022

**DOI:** https://doi.org/10.22214/ijraset.2022.48254

www.ijraset.com

Call: 08813907089 | E-mail ID: ijraset@gmail.com

International Journal for Research in Applied Science & Engineering Technology (IJRASET)
*ISSN: 2321-9653; IC Value: 45.98; SJ Impact Factor: 7.538*
*Volume 10 Issue XII Dec 2022- Available at www.ijraset.com*

# Development of Human Capital as a Factor of Socio-Economic Development

Yarmatov Sharofiddin Choriyevich[1], Jumayev Islom Khushbakovich[2]
[1]*Teacher of the Department of Economics in Termiz State University*
[2]*Master Student of Termiz State University*

***Annotation: For a long time, economic thought as a whole was influenced by the processes taking place in the field of material accumulation. But it was the factor analysis of the sources of growth in material wealth that led scientists to a completely new vision of the role and importance of man in the economy. Since the 1990s, a new development paradigm based on the theories of sustainable development and human development has been actively discussed. Both of these theories were developed within the framework of the UN structures, which gave them an international status. Man possessing!! a certain stock of knowledge, skills and abilities of a general and professional nature becomes a leading factor in the development and stability of the economy. According to World Bank estimates, physical capital in the modern economy forms 16% of the total wealth of the country, natural - 20%, and human capital - 64%. This report focuses on developed countries.***
***Keywords: development, capital, economy, human capital, development of the human capital.***

## I. INTRODUCTION

International organizations and the community are giving priority to issues of human capital development. In particular, in order to develop human capital in Uzbekistan, the World Bank has allocated a total value of 3.4 billion. It has decided to implement 19 projects close to USD.

On September 21, 2018, the Decree of the President of the Republic of Uzbekistan No. PF-5544 "On approval of the innovative development strategy of the Republic of Uzbekistan in 2019 - 2021" states that "The development of human capital as the main factor determining the level of competitiveness of the country in the international arena and its innovative development is the main goal of the strategy." It was defined as [1].

At the same time, on May 28, 2019, at the meeting dedicated to the implementation of the tasks set for the development of science and higher education, the President of the Republic of Uzbekistan Shavkat Mirziyoev spoke about the fundamental development of science through the formation and centralized financing of state programs in this field, and specializations aimed at high performance. creating a system of national laboratories, commercializing scientific developments, raising the reputation of our country's science in international rankings: -"The main goal of these works is to develop human capital in our country, it is impossible to go far with raw materials and their processing, moreover, to obtain additional value in production innovation is needed. Therefore, science will be an important direction and support of our development", - [2] he emphasized.

According to many economists, the term "human capital" is a new term, which entered the economic sciences with the publication of the work "Investment in Human Capital" by the American agrarian economist Theodore Schultz [3].

Undoubtedly, digital technologies allow to reduce the time spent on communications and speed up all economic processes, but what will happen in a specific area as a result of the acceleration of these processes - whether the economy will flourish or decline - will depend on the vector of human capital development.

It can be seen that the main factors of production traditionally separated for all stages of human development - land, labor and capital - are undergoing fundamental changes in the era of digital transformation of the economy, while the value of goods, services and information is growing rapidly. In the digital economy, the main asset of countries will be human capital. However, the main asset is not a person in general, but concrete people who have deep knowledge in the field of new technologies, are able to apply them to life, and can improve old things. In this regard, it can be recognized that the main factors of production in the economy of the future, based on information technology, will begin to increase human capital, in which the main factor and driving force will belong to human capital. Klaus Schwab, the founder and president of the Davos Economic Forum, justified this point of view by saying that the main factor of production in the digital economy is not capital, but potential.

©IJRASET: All Rights are Reserved 

Taking into account the rapid development of technologies, the fourth industrial revolution pays special attention to the constant adaptation of employees and the acquisition of new skills and approaches from different perspectives. This will require major changes in the structural restructuring of the economy, in the functioning of various systems, including social protection, taxation and education.

The correct formulation of the digital economy program of the government of the Republic of Uzbekistan and its successful implementation is a very serious matter, because lagging behind in this field will condemn the country to lose competitiveness in accordance with the new trends of the world economy and will lead to long-term negative consequences. bodies, business, civil society and scientific-educational societies) should create a mechanism for optimal management of the digital economy, involving the creation and development of the digital economy.

On the one hand, this is a serious stimulation of the development of civil society and business in the direction of the selected changes, and on the other hand, the interactions directed in this way can lead to contradictions, among which efforts in different directions and stagnation of initiatives are the most important. The digital economy program needs to consider the implementation of several directions, but one of the main directions - education, has not yet been carefully considered. We think that "the most valuable measure of the digital economy" can be the training of personnel and the creation of information infrastructure.

Only 0.5% of the US workforce is employed in industries that did not exist at the turn of the century; less than 8% of new jobs were created in the 1980s and 4.5% of new jobs in the 1990s. Investments in information and other advanced technologies serve to increase productivity by replacing existing workers, not by creating more products that require additional labor to attract them. Referring to research on the impact of technological innovation on unemployment, K. Schwab notes: "According to the results of this study, about 47% of jobs in the United States are likely to be at risk of automation in the next two decades, faster than the process of changes in the labor market that occurred during the last industrial revolutions." characterized by a wider range of occupations.

In addition, there is a growing trend of polarization in the labor market. Employment will increase in high-paying cognitive and creative occupations and low-paying manual labor, but demand will decrease in standard, average-paying occupations.

A vigorous process of intellectualization of the economy is taking place in the world. High intellectual fields based on human capital as the main source of production, the newest high-tech types of production and flexible forms of organizations determine the direction of development of such an economy. For example, countries such as Norway, Canada, Germany, Ireland and Austria have directed their national economies to the production and use of modern knowledge, which ensures the growth of 50% of national wealth or more. In practice, it is the production of an intellectual product through the realization of scientific potential.

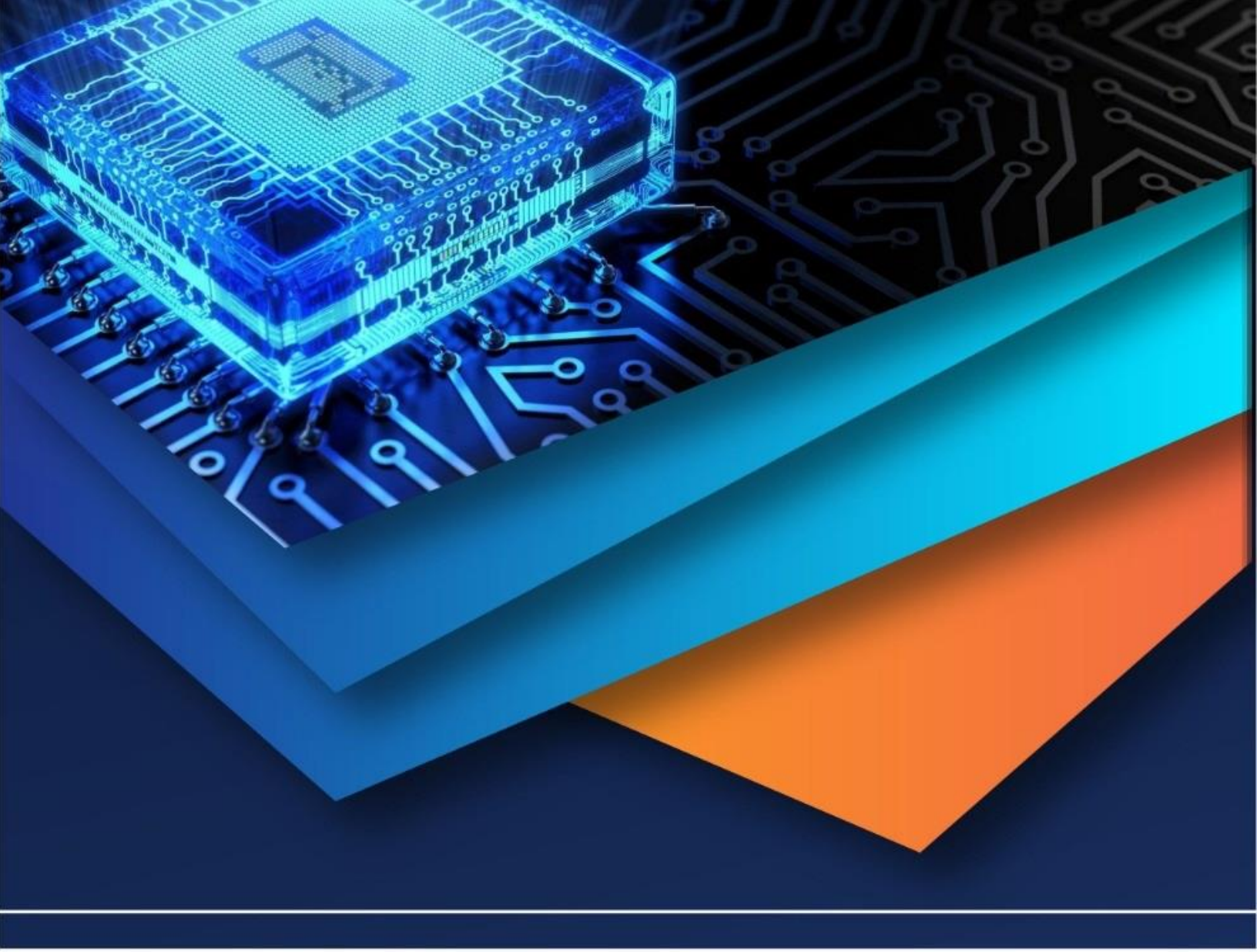
The successful socio-economic development of any country depends on the society's readiness to import various knowledge, ideas and information, as well as its ability to process them effectively. From an economic point of view, the import of intellectual capital is very useful for the importing countries, which are mainly developed and leading countries, which allows them to transfer their conditions to other countries in the conditions of global economic development. However, this situation has a two-sided nature for exporting countries. On the one hand, this leads to the problem of "brain drain", the decline of the intellectual potential of a given country, and on the other hand, the efforts of scientific staff to exchange knowledge, experience and skills, and to develop the education system are observed.

"Development of knowledge - people - digital economy" is considered a new global phenomenon that determines development in current conditions. It should be remembered that knowledge is a deeper and more complex phenomenon than information that requires understanding, systematization and targeted effective use within an economic entity. Knowledge allows the whole society and a particular enterprise to move qualitatively in the development of the economy.

It is worth noting that the development of intellectual capital at the international level is expanding its possibilities in terms of access to the new digital economy, which allows creating products with high added value, stimulating innovation and originality of thinking, developing and improving professional skills.

## REFERENCES

[1] Decree No. PF-5544 of the President of the Republic of Uzbekistan "On approval of the innovative development strategy of the Republic of Uzbekistan in 2019-2021", September 21, 2018.
[2] The speech of the President of the Republic of Uzbekistan Sh.M. Mirziyoev on May 28, 2019 at the National University of Uzbekistan on the issues of development of science and higher education.
[3] Shultz T., Human Capital in the International Encyclopedia of the Social Sciences., — N.Y.,, 1968, vol.
[4] Klaus Schwab. Fourth industrial revolution. - M., Eksmo. 2016. S.30



10.22214/IJRASET

45.98

IMPACT FACTOR: 7.129

IMPACT FACTOR: 7.429

# INTERNATIONAL JOURNAL FOR RESEARCH

IN APPLIED SCIENCE & ENGINEERING TECHNOLOGY

Call : 08813907089 (24*7 Support on Whatsapp)