

Human Capital Formation in India

Concept of Human Resource

Human Capital Formation

Human Development

“... the wisdom of expending public and private funds on education is not to be measured by its direct fruits alone. It will be profitable as a mere investment, to give the masses of people much greater opportunities than they can generally avail themselves of. For by this means many, who would have died unknown, are enabled to get the start needed for bringing out their latent abilities”.

Alfred Marshall

Human Capital

A country can turn physical resources like land into physical capital like factories, similarly, it can also turn human resources like students into human capital like engineers and doctors. Societies need sufficient human capital in the first place— in the form of competent people who have themselves been educated and trained as professors and other professionals. In other words, we need good human capital to produce other human capital (say, doctors, engineers...). This means that we need investment in human capital to produce more human capital out of human resources.

Human capital refers to the induced productive quality of workers.

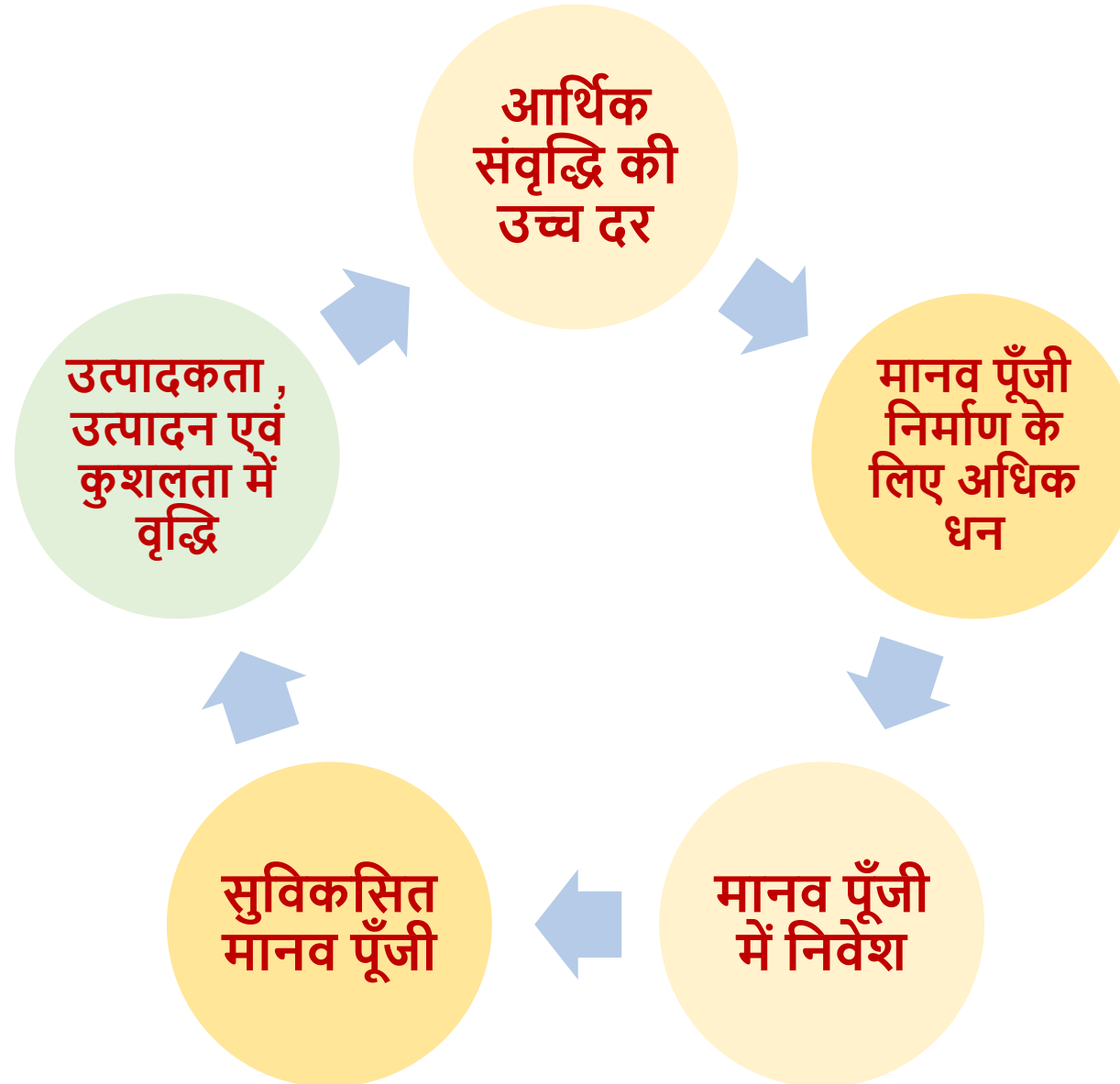
Human Capital Formation and Human Development

आधार	मानव पूँजी निर्माण	मानव विकास
अर्थ	मानव पूँजी निर्माण से अर्थ है जैसे हम भौतिक पूँजी में भविष्य में उच्च लाभ, उच्च उत्पादकता और आय के रूप में, पाने के लिए करते हैं वैसे ही मानव पूँजी ने निवेश करने से हैं।	मानव विकास से अर्थ मानव के समग्र विकास से है जिसमें उनके अस्तित्व का आर्थिक, सामाजिक, राजनैतिक, आध्यात्मिक पहलू शामिल है।
शिक्षा और स्वास्थ्य	मानव पूँजी शिक्षा और स्वास्थ्य को श्रम उत्पादकता बढ़ाने का एक साधन मानता है	मानव विकास इस विचार पर आधारित है कि शिक्षा और स्वास्थ्य मानव कल्याण के अभिन्न अंग है क्योंकि ये मानव जीवन की गुणवत्ता को बढ़ाते हैं
मनुष्य	मानव पूँजी मनुष्य को एक साध्य का साधन समझती है। साध्य है, उत्पादकता में वृद्धि।	मानव विकास मनुष्यों को अपने आय में एक साध्य समझता है।
व्यापकता	मानव पूँजी एक संकीर्ण अवधारणा है।	मानव विकास एक व्यापक अवधारणा है।

मानव पूँजी निर्माण के कारक

- (a) शिक्षा पर व्यय
- (b) स्वास्थ्य पर व्यय
- (c) प्रशिक्षण पर व्यय
- (d) सूचना पर व्यय
- (e) प्रवासन

मानव पूँजी एवं आर्थिक संवृद्धि



Cont...

Education and Human Capital

- **Human Development is clearly reflected in the World Declaration on Education for All which states: "Every person -child, youth and adult - shall be able to benefit from educational opportunities designed to meet their basic learning needs. These needs comprise both essential learning tools (such as literacy, oral expression, numeracy, and problem solving) and basic learning content (such as knowledge, skills, values and attitudes) required by human beings to be able to survive, to develop their full capacities, to live and to continue learning. Moreover, whether or not expanded educational opportunities will translate into meaningful development - for an individual or for society - depends ultimately on whether people actually learn as a result of these opportunities, i.e., whether they incorporate useful knowledge, reasoning ability, skills and**

- **values. The focus of basic education must, therefore, be on actual learning acquisition and outcome, rather than exclusively upon enrolment and completion of certification requirements. Active and participatory approaches are particularly valuable in allowing learners to reach their fullest potential“.**
- **Nelson Mandela said, “Education is the most powerful weapon, which you can use to change the world.” When the world is busy getting equipped with deadly weapons and machinery, it is very important to understand that education is the real asset that can develop an individual as well as a nation. People and leaders across the world should join hands to make education, not only a fundamental right for all, but also the guiding light, which can take mankind ahead through any phase of darkness.**

- **It has been said that education seems to protect the poor and the marginalized from exploitation by generating awareness of their rights, capacities and capabilities. The role of education hence seems to be confined to awareness generation and at best opening opportunities for employment and in this sense providing security of income.**
- **Education is an effective means for the transformation of the society through the development of human resources. It itself a fundamental need because it increases an individual understanding of himself, his society and his natural environment and gives him access to his cultural heritage. It improves living standard, enhances productivity by improving work skills and decreasing birth rate by raising women status.**

- **There is no alternative of education and training to convert people into human resource. The influence of education on human resource development is extensive. The impact of education on human resource development is given below.**
- **i) Awareness development: Education increases self awareness. It can help to know their habit, culture, social status and management.**
- **ii) Learning: By acquiring knowledge one can develop himself, his family and also can participate in country's development.**
- **iii) Thinking and judgment: Education can help to think transparently free from emotion and prejudice. As a result, they can invent exact work process on the basis of analyzing individual and socio-economic condition. Besides this, they can also able to make well plan.**

- **iv) Generous outlook:** Education can help man's outlook to be generous and democratic. It teaches to be united. So they can be able to build up society, Social welfare organizations and other co-operative organizations.
- **v) Duties and responsibilities:** Education can build up consciousness about their Duties and responsibilities. So they can implement and establish their rights in their social and political life.
- **vi) Modern science and technology based education:** Modern science and technology based education can enhance the ability to do heavy work within a short time and it can also increase the quality of work.
- **vii) Medical science and economic effect:** The application of higher education in medical science can develop the health services of a country. As a result the life expectancy will increase and that would be helpful to play a role in economic development for long time.
- **viii) Education and religious values:** Religious values of every one is awakened by education. These religious values conduct the works and earnings in right way. This trend continued to generation by generation. As a result, country and nation can be developed in economically, politically, culturally and in other aspects.
- **From the above discussion, it is clear that the impact of education is multidirectional.**