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Economics of Human Capital

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Abstract: The article deals with the concept of an innovative economy as the knowledge economy, reflecting the different theoretical approaches to the understanding of the nature and content of the category of “human capital.” We consider the problems of reproduction of the human capital, the study of managing this process in terms of innovative development of territories. The article presents a systematization of approaches to the definition of “human capital”.

Key words: innovative economy, human capital, human resources, needs, abilities.

In the process of developing a market model of the economy, special attention is paid to the modernization, reconstruction and development of production on new technological bases, the intensification of innovative activities to translate the results of scientific and technical developments into production and the creation of new technologies for processes and restructuring at the modern scientific and technical stage of all branches of material production and the service sector. At the same time, human capital, which has a backbone quality and ensures the effective use of all factors of production, which is a prerequisite for the development of social production, is a decisive factor in the economic development of society.

Innovative development is the main priority of the modern economy. This is an incentive for business activity, based on intellectual capital and supporting a system of new combinations of factors of production in society. Such a system is not only the basis for the competitiveness of the economy, it creates conditions for the comprehensive development of the individual through creative self-realization and investment in human capital. Innovations serve as the basis for the transition to the investment path of development and a factor in the new quality of economic growth.

They ensure the growth of competitiveness and become the engine of the national economy. The innovative economy differs from the traditional one and represents the latest type of economic relations that have arisen in the process of production between its subjects. It is important to understand that the transition to innovative development is due to the corresponding development of the productive forces of a person - the subject of an innovative economy.

The main element of the process of development of innovative production is a creative person, and his human capital becomes the main resource of innovative production based on the generation of new knowledge. [1]. In practice, one has to deal with the inefficient use of human capital, due to the employment of the population not according to their specialty, the mismatch of qualifications with the requirements of jobs, and other aspects.

In this regard, an objective necessity is to create conditions for the formation and implementation of human capital in labor activity, which contributes to the country's transition to innovative development. The prerequisites for innovative development in European countries appeared after the Second World War: a linear model of innovation became widespread, aimed at ensuring the efficiency of the functioning of all the main phases of the innovation cycle from obtaining new knowledge to transferring it to the production process.

In Uzbekistan, the need for changes has also begun to be felt: structural transformations of production based on knowledge-intensive and resource-saving technologies are taking place, the role of intellectual resources is increasing, and the social orientation of the economy as a whole is strengthening [2]. The importance of using innovations was dictated by the emergence of a number of problems, such as the depletion of natural resources, environmental pollution, the growth in the number of new types of diseases that threaten humanity, and the search for ways out of them.

Among the problems hindering innovative development is the difference in the scale, speed and depth of transformations in the territorial context. We should also emphasize the extremely uneven distribution of all types of resources, administrative-territorial asymmetry, high differences in the level and quality of life of the population, in models and degree of state regulation, etc. [1]. The accumulation of various kinds of contradictions and thus the growth of imbalances leads to disproportions in the innovative development of the territory, which necessitates the study of innovative development and the factors that determine it.

Let us present some approaches to the study of this concept. Innovative development can be considered:

- as a type of economic development based on innovation;
- as a strategy based on the widespread introduction of innovations in various spheres of society;
- as a factor of competitiveness;
- as a combination of financial, economic, socio-psychological, political factors in the creation, improvement and use of innovations
- factorial approach;
- as a process of accumulation of positive changes, accompanied by an increase in the efficiency of activities, the development of the social sphere, an increase in the level and quality of life of the population, and the development of infrastructure;
- transition to a new technological basis, - process approach;
- from the standpoint of the activities of the subjects of innovative development, which is aimed at the efficient use of resource potential, strengthening and expanding economic ties, increasing the intensity of investment processes, mobilizing and improving the innovative potential and its main resource - human capital, improving the innovative climate of the territory;
- from the standpoint of the ability to change the external and internal environment (the ability to perceive and adapt to changes, generate scientific and technological progress) [3];

- in terms of readiness to introduce advanced developments, innovative products into practice. At the moment, economic theorists argue that “the production of human capital is one of the processes of creating human productive abilities through modern investments” [2], which means “various actions that increase the skills and abilities and thereby the productivity of workers” [5].

Other studies point out the "undoubted benefit in investing in human capital" of their workers for the organization. The firm "should become a source of human capital development and develop it aggressively" [3], as all decisions made about investing in workers' human capital will shape the company's future for years to come. Although the theorists of human capital indicate that investments in their content can be monetary, labor and time, which are understood as the costs of labor (energy) and personal time of the subject of human capital, respectively, they focus on the issues of monetary investment in human capital as a factor in the economic feasibility of investments. in the development of the abilities of the individual.

This is understandable, since the main problem in the production of human capital is the return of financial resources invested by investors in the development of human qualities. Considering the inertia of economic processes, it should be noted that negative processes retain their trend in modern conditions. Research interest in the state of human capital in Uzbekistan predetermines the relevance of the search for directions for the development of human capital.

Human capital is the main factor of innovative development. But in the Uzbek conditions, there are the following negative aspects that prevent the effective use of human capital as a factor in innovative development:

- low contribution of the innovation sector to GDP and export potential;
- high level of dependence of the Uzbek economy on imports of technology and equipment.

At the same time, qualitative transformations are taking place in the innovation sector, associated with an increase in the market response to innovations produced by Uzbek enterprises on their own, the growth of benefits for them of innovations of various scales and the knowledge intensity of the final product.

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