

## EDUCATION AS AN IMPORTANT INVESTMENT IN HUMAN CAPITAL

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### Annotation

Features of education as a major investment in human capital are considered in the article. For the present stage of the world's scientific, technical and socio-economic development is characterized by a fundamental change in the role and importance of the human factor in the economy and society. Human capital is the most important factor of economic growth. The author emphasizes the fact that the more qualitative training of specialists capable to adapt to the changing conditions and technologies throughout their lives, the more efficient the country's economic development.

**Keywords.** Education, human capital, training, competitive application of knowledge, a synthesis of education and science.

Nowadays an idea of active investing the industry's competitiveness, economic into the future for improving the feasibility, the pace of innovation in competitiveness of human capital is the technology - which, in turn, are increasingly most important strategic objectives of dependent on the state of knowledge and developed states. intellectual abilities of staff are the main

World Education Forum at Dakar factors of production. Benefits of countries are determined declared that "Education is one of less and less by the wealth of natural fundamental human rights. It is the key to less and less by the wealth of natural sustainable development, peace and stability resources or cheap labor and more by within countries and in relations between technical innovation and the competitive use them and thus an indispensable means for of knowledge or both in combinations. effective participation in the societies and The future belongs to the countries economies of the XXI century, which are whose people use information, knowledge affected by rapid globalization. Achieving and technology more productively; the the goals of «Education for all» could no better the training of specialists capable of longer be put off. The basic learning needs adapting to changing conditions and of all could and should be immediately technology throughout their lives, the more satisfied"[1]. efficient the country's economic

It is known, the last pre-industrial development. United States each year obtain society as the main factor of production from the export of high technology products used the land, capital, manual labor, and the \$ 700 billion, Germany - 530, Japan - 400 Industrial Revolution dramatically increased billion dollars. The main factor of victory in the role of raw materials. this endless race for economic space became

In modern industrial and information an innovation and education in general. society, the situation has radically changed:

The modern world has entered an era of economic mercantilism, in which science and education is of real value to the extent that they generate economic benefits.

There is the tendency to turn the educational institutions and science into entrepreneurial structures oriented to profits. In this regard Kazakhstan is not an exception.

At the same time, and new knowledge, and the institution of the transfer of knowledge to the younger generation of the public good is transformed into a part of the market mechanism, a tool of competitive struggle for the country's global leadership in the field of high technologies.

These processes one can observe in the United States, in Western Europe and Japan. Their leading universities see the solving of problems as in withdrawal from narrow specialization so in training of generalists. This task is best coped by the schools which are focused not only on the most scientific schools of various fields but where knowledge is constantly maintained by their own research.

Universities became more active in preparing specialists of new professions - systems analysts, experts in the field of genetic engineering, computer specialists and software information technology. For example, over the past 15 years, the number of graduates specializing in the field of information technology has increased by more than 10 times.

Being at "high school bench", it is necessary as be engaged in intensive research activities with a focus on the future professional employment so to "the reach" the level of development of modern high-tech production according to Western experts, noting that today, science and technology is developing so rapidly that

after graduation there is no time "to complete their education".

The analysis of the General Assembly Association of European Universities' and high schools' materials testifies that the significant changes with the development of society in regard to science and education are occurred.

Governments of developed countries have paid attention to the state of higher education, which revealed the following shortcomings:

- University graduates have inadequate basic training;
- Analytical thinking, the ability to evaluate critically objects and problems of modeling, optimization on the basis of knowledge in the field of the basic sciences are presented poorly;
- Graduates do not consider their profession as an integrated process;
- Graduates are not synthesized in innovation during the design and production of a rational assessment of the completeness and consistency of their implementation;
- Graduates are not able to adapt to changing specifications and process environments.

Therefore, today the most urgent development priorities are identified:

- Development of fundamental science;
- Development of universities;
- Development of energy.

In 1961, the first reaction of John F. Kennedy on Gagarin's flight was the phrase "Victory of the Soviet education." After half a century as post-Soviet countries and so the Americans are not proud of educational victories. According to experts, a group of world leaders in the field of school education includes four countries from Southeast Asia, the recent Asian 'tigers' - South Korea, Singapore, Taiwan, and Japan

- and two more countries: Finland and Canada.

"The outstanding economic records of Japan, Taiwan, and other Asian economies in recent decades dramatically illustrate the importance of human capital to growth. Lacking natural resources - they import almost all their energy, for example - and facing discrimination against their exports by the West, these so-called Asian tigers grew rapidly by relying on a well-trained, educated, hardworking, and conscientious labor force that makes excellent use of modern technologies. China, for example, is progressing rapidly by mainly relying on its abundant, hardworking, and ambitious population" [2].

The term "human capital" first appeared in the works of Theodore Schultz - an economist who was interested in the difficult situation of the underdeveloped countries. Schultz said that improving the welfare of poor people did not depend on the land, machinery or effort, but rather on knowledge. He called the qualitative aspect of the economy "human capital." Schultz, who won the Nobel Prize in 1979, proposed the following definition: "All human abilities are either congenital or acquired. Everyone was born with an individual set of genes determining his innate abilities. Acquired valuable human qualities can be amplified by corresponding attachments, that we call human capital "[3].

Therefore, economists regard expenditures on education, training, medical care, and so on as investments in human capital. They are called human capital because people cannot be separated from their knowledge, skills, health, or values in the way they can be separated from their financial and physical assets.

Radical change of role and importance of the human element in the economy and society is characteristic to the

stage of modern world scientific-technical and socio-economic development. Human capital is the most important factor of economic growth. According to some estimates an increasing the duration of one year of education leads to an increase in gross of domestic product (GDP) by 5-15% in the developed countries.

The realizations of the state's economic success are determined mainly in the world by the human factor and intellectual potential of citizens. Promising future is impossible without the highly developed economies. Economic development is impossible without research and a deep and broad erudition.

It provides a decent educational potential of the country's image, its place in the world community, determines a person's status in the society and nation in the world. In this context the role and importance of the human factor as criteria of social development, economic strength and national security is increased.

"Most high-yield investment - an investment in education" - said Bill Gates. It expresses the policy of the Western countries in the field of education: higher educational system of US training is considered as a double investment - in humans and production.

The Dakar forum documents call for all governments to ensure the provision of at least 6% of GDP to education, so it is important to give priority to the issues of adequate funding and effective use of budget funds allocated to education.

Investments in basic and applied research should help in preparing of qualified young professionals for the manufacture and investments in the system of education should help to attract scientists into the ranks of the teaching staff and the development of scientific research in universities with attraction of students.

An important task of the state policy in the field of integration of science and education is the efficient sharing of scientific, technical and educational potential. In the West, the integration of science and education is achieved automatically by the fact that science is mainly concentrated in the universities; on the contrary, there is a completely different situation in Kazakhstan. Historically, science in Kazakhstan was divided into academic, university and industry. That is why the problem of integration of science and education for us is of particular relevance.

The European traditions established Alexander von Humboldt, which is based on a combination of research and teaching activities, it demonstrates high performance in almost all over the world.

In Kazakhstan violation of time-tested "Humboldt principle", which states that the training of young scientists should be implemented in an environment of advanced science research, has led to a significant reduction in both the level and quality of education and level of scientific research.

According to the latest ranking by the level of human capital, which was prepared by the World Economic Forum (WEF) in conjunction with Mercer, Kazakhstan took the 37th place out of 124 countries. Rating measuring the possibility for the development of human capital in the different age groups including an accessibility and quality of education and training opportunities involvement in the economy and the skills and competencies. There is a declaration of promise on the development of human capital of the country and setting targets for improving of individual items. We need to improve the system of national standards of living.

At the present time, when the developed countries are activated

throughout the integration processes that give a positive effect by coordinating the efforts of government and business, science and industry, science and education, the main competitive advantages of our scientific and educational environment are not fully be realized, which is fraught with real threat of irreversible degradation of the scientific and educational spheres and preservation of technological backwardness of Kazakhstan.

The separate existence of scientific and educational institutions reduce their development potential, reduce their contribution to the transformation of the economy and society, prevents the full integration into the world scientific and educational space.

Nowadays, the main consumers of qualified personnel are mainly non-state enterprises and institutions which do not spend any money for preparing of graduates.

Many companies and organizations at the same time do not even provide jobs in the final stages of training for practice, they are absolutely not interested in the preparation of their own workforce; do not contribute to the strengthening and renewal of the material and technical base of educational institutions.

In this regard, the main problem is to raise means of employers on professional education, training and retraining of workers and engineering staff and experts and the creation of large enterprises on the basis of the system of retraining and advanced training of engineering and teaching staff for vocational schools, colleges and universities.

The country has not yet created a system of incentives for employers in training and their participation in teaching and strengthening of material-technical base at educational institutions.

Vocational and technical education comparability readily understandable must be based on professional standards and by everyone mutual acceptance certificates tightly interconnected with the needs of the of education to ensure the academic economy. Quality of higher education shall mobility of students. Ultimately, these meet the highest international needs. processes should be an incentive to improve Universities of the country should strive to the quality of education. enter the ratings of the leading universities In modern conditions, academic in the world. freedom and university subjects and

Mankind has entered a new era of research activities are very limited. Higher globalization, when national education educational institutions need to, on the one systems become more integrated into the hand - to integrate with each other, on the international educational space. other hand – to adjust in the most severe

In the field of education it was market structure, not to be "crushed" in a necessary to resolve issues such as the new form of international race - the race of compatibility and comparability of higher new technologies and education. education systems the academic degrees of

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