THEORETICAL APPROACHES TO THE STATE POLICY OF FORMATION, ACCUMULATION AND USE OF HUMAN CAPITAL IN THE CONDITIONS OF SOCIO-ECONOMIC DEVELOPMENT

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Abstract. *Realization of the ability to work as a qualitative characteristic of the workforce allows us to understand the reasons and driving forces for the development of the innovative economy. The purpose of the article is to generalize and improve theoretical approaches to the state policy of formation, accumulation and use of human capital in the conditions of socio-economic development. The theoretical and methodological basis of the research was the fundamental provisions, concepts, hypotheses and approaches to the management of human capital for the benefit of innovative development, set forth in the works of the classics and modern domestic and foreign scientists. The research is based on the methods of comparative, dynamic and comparative analysis, decomposition method, monographic research. Collective human abilities, distinguished by the continuity of cognition, understanding of the acquired knowledge, and their creative use are the labor potential of the socio-economic system, which characterizes the possibility of the development of this system. The conversion of human capital into labor resources is determined by the labor force index. The labor force is the able-bodied part of the country's population, which, due to mental, physiological and intellectual qualities, is able to produce material goods or services. Labor resources include the population capable of working. These are, first of all, people of working age, as well as working pensioners, teenagers, and immigrants. In the system of state statistics, the labor force is called "economically active population". A feature of developed countries is a high share of employees, less developed - self-employed, primarily due to the large number of self-employed households. It has been established that countries that rely on social and economic development on human capital formed through the education system become leaders. The functions of education are realized in various forms of individual benefits and public benefits at the corporate, regional, national and global levels. Public goods are recognized as collective goods that relate to the social. They characterize the development of society in general: social solidarity, equality in rights and self-determination of people, social and geographical mobility (freedom of movement), general knowledge and the possibility of participation in the discussion. Common goods can only be created jointly. Some are aimed at the individual (eg human rights) and some at groups of people (eg laws).*

Keywords: *state policy, socio-economic development, formation, accumulation and use of human capital*

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Introduction. The development of scientific knowledge of the peculiarities of the formation, accumulation and use of human capital in the context of the evolution of society allowed to reveal in the course of the research a number of limitations of the classical theory of human capital that can be used in the science of public administration, key among which are: the relative stability of institutions, in connection with why the task of their evaluation occupied a secondary position in research; a person is considered not as a final goal, but as a means of achieving the goal, hence: costs per person are a burden of obligations for the state and a social burden for business; skills that form specific human capital are of primary importance, general skills do not affect the level of human capital.

Literature review. The theory of human capital is characterized by a developed methodology and extensive conceptual developments. The problem of the essence of human capital is investigated in the works of such foreign scientists as: G. Becker, L. Voismmann, E. Denison, J. Kendrick, S. Koval, R. Lucas, J. Minser, R. Solow, L. Turow, Ege . Hanushek, J. Heckman, T. Schultz.

At the same time, certain aspects of public administration, such as the peculiarities of the formation, accumulation and use of human capital in the conditions of socio-economic development, remain insufficiently covered by the attention of scientists.

Aims. The purpose of the article is to generalize and improve theoretical approaches to the state policy of formation, accumulation and use of human capital in the conditions of socio-economic development.

Methodology. The theoretical and methodological basis of the research was the fundamental provisions, concepts, hypotheses and approaches to the management of human capital for the benefit of innovative development, set forth in the works of the classics and modern domestic and foreign scientists. The research is based on the methods of comparative, dynamic and comparative analysis, decomposition method, monographic research.

Results. The classical theory of human capital did not reject the importance of a person's ability to act under conditions of disturbed economic equilibrium. For example, in the situation of institutional transformation, changes in the requirements of the labor market, transition to a new technological system were studied [1, 2]. Along with human capital in economic theory, the following concepts are distinguished: human potential, labor potential, labor resources, labor force, personnel potential. The ratio of categories determined by the mentioned concepts reflects the processes of formation, accumulation and use of human capital, which have their own essential features in the conditions of socio-economic development.

Thanks to the widespread recognition of the results of theoretical research by the Indian scientist, Nobel laureate A. Sen [3], scientific interest in the concept of "human potential" appeared within the framework of the concept of human development. In his research, he approached the study of human potential from the point of view of individual capabilities, the increase of which is the development of human potential.

In his opinion, "human potential is a set of physiological, intellectual, psychological capabilities of a person that he can realize in the process of life" [3]. Part of these possibilities does not affect the ability to work, the remaining part, in aggregate, makes up the labor potential, which is realized only in the process of labor activity. Labor potential is defined as "the aggregate capabilities of the population to perform labor activities, which change as a result of the development of productive forces and industrial relations" [2]. Realized (capitalized) labor potential is called human capital. Unused (unrealized) labor potential accumulates in conditions of undemanding knowledge and human skills [1].

In modern science and practice of public administration, this approach has been used, but at the same time, the practice of considering human potential as abilities and/or as readiness is noted. Consideration of human potential as innate and acquired abilities is at the basis of the formation of strategic goals of state social policy in the

field of education [2].

Based on the understanding of human potential as readiness for fruitful activity and the need of an individual for self-realization, the system of values and interests, the presence of motivation for work, the hierarchical structure of advantages, the degree of activity, the strategic orientations of the state social policy in the field of social and labor relations are determined. Perception of human potential as opportunities, conditions for full-fledged, creative and satisfied work, quality of life, quality of working life is the basis for determining the strategic goals of the implementation of state social policy in the direction of improving the quality of life of the population.

Human potential, being part of human resources, turns into human capital only under certain conditions, the spectrum of which depends on the stage of development of society. So, in terms of socio-economic development, such conditions are: globalization and international migration, lifelong learning, foresight of personnel needs and competencies, innovative environment and innovative culture, transprofessionalism and active independence. In turn, the development of human capital is possible only if there is a high level of formed human potential and human resources at all levels of aggregation from micro to mega.

Labor resources (workforce) can be understood as a form of using human potential. And this is true, but the connection between human potential and labor resources is more complex in nature and is mediated by such categories as labor potential and human capital.

Realization of the ability to work as a qualitative characteristic of the workforce allows us to understand the reasons and driving forces for the development of the innovative economy. Collective human abilities, distinguished by the continuity of cognition, understanding of the acquired knowledge, and their creative use are the labor potential of the socio-economic system, which characterizes the possibility of the development of this system. The conversion of human capital into labor resources is determined by the labor force index. The labor force is the able-bodied part of the country's population, which, due to mental, physiological and intellectual qualities, is able to produce material goods or services. Labor resources include the population capable of working. These are, first of all, people of working age, as well as working pensioners, teenagers, and immigrants.

In the system of state statistics, the labor force is called "economically active population". A feature of developed countries is a high share of employees, less developed - self-employed, primarily due to the large number of self-employed households. The category "personnel potential" is related to the structure of the economically active population and related features of the use of human capital - it is a multi-criteria characteristic of the available abilities and potential capabilities of specific employees as a whole system (team). Within this concept, the abilities of employees to solve current tasks, opportunities to implement skills and apply skills are combined. Sometimes the concept is used as a synonym for labor potential, but more often it is used to denote a certain part of it.

According to the data of the World Bank, presented in the report The Changing Wealth of Nations 2018: Building a Sustainable Future, in the structure of the wealth

of countries on average, 64% of the world is human capital, in high-income countries this share is 70%, in low-income countries - 41 % [5]. In the structure of the wealth of Ukraine, the capitalized human potential occupies 54.6%. Moreover, up to 50% of the difference between countries' incomes is determined by the level of human capital. The high level of human capital in Ukraine gives a chance for the country to cope with new challenges and tasks of social and economic development.

The founders of the theory of human capital carried out calculations of the impact of education on society on the basis of data on the coverage of the population by various forms of education, determining the dominant role of quantitative indicators of education. The objective basis of this approach is the lack of an information base for analyzing the impact of the quality of education on socio-economic development due to the lack of tests assessing real knowledge and competencies on a national scale until the second half of the 20th century. Since the 1990s, the theory of human capital has undergone a paradigm shift from a quantitative to a qualitative approach, according to which not only the share of individuals with education and the total number of years of education determine the level of human capital of the socio-economic system, but also the quality of this education, which it manifests itself in cognitive skills, universal competencies and non-cognitive skills (social and behavioral). Thus, E. Hanushek and L. Weissmann explain the changes in the rates of economic growth in different countries largely by the role of cognitive skills [6]. Studies of a number of scientific works of previous years, supplemented by results obtained personally by the authors, allow E. Hanushek and L. Voissmann to highlight the mechanisms of influence of the "quality" of human capital on socio-economic development.

The classic concept of human capital is based on the triad: investment in education - development of human capital - economic growth and social development. As a result of purposeful management of human capital through the development of education, the foundations of an innovative economy and the conditions for the development of national innovation systems are formed.

As a result of the described processes, countries that rely on social and economic development on human capital formed through the education system become leaders. The functions of education are realized in various forms of individual benefits and public benefits at the corporate, regional, national and global levels. Public goods are recognized as collective goods that relate to the social. They characterize the development of society in general: social solidarity, equality in rights and self-determination of people, social and geographical mobility (freedom of movement), general knowledge and the possibility of participation in the discussion. Common goods can only be created jointly. Some are aimed at the individual (eg human rights) and some at groups of people (eg laws).

For the education system of Ukraine, which is characterized by moderate state participation, one of the key tasks is to create conditions that allow to significantly increase the contribution of professional education in all socio-economic spheres. Therefore, managerial aspects related to competent institutional organization, prioritization, as well as assessment of the contribution of professional education in the context of its interaction with other elements of the socio-economic system are of

particular importance.

An adequate assessment of the contribution of professional education to the development of society requires: a reliable theory of the contribution of professional education to the development of society; explanation of cultural differences in the contribution of professional education, which are found on a global scale; reliable metrics of the contribution of professional education used for comparison (including monitoring of dynamic changes).

Scientifically based assessment and competent organizational policy are integral components of success. In this regard, it should be noted that despite the enormous potential of Ukrainian vocational education, those approaches and models of organization and evaluation that are practiced today in Ukraine rather hide than promote opportunities for strengthening the socio-economic contribution of vocational education. Meanwhile, the indicators of the contribution of professional education to the development of society are fixed values, which are the starting points for managing the contribution of education to the development of the individual and society. Individual benefits of state importance form opportunities for individual self-realization in the state.

Not only the contribution of professional education to the development of society has cultural and international differences. The very research and political concepts of the contribution of professional education differ in individual countries and scientific schools. For example, the meanings of the terms "public", "public good", "common good" and the like in different languages have quite different meanings. Unequal political culture: the role of the state/government, spheres of responsibility of officials in professional education.

Differences between national cultures lead to differences in the understanding of the contribution of professional education between countries in some areas, such as state regulation, etc. However, there are areas in which different states follow identical strategies. This applies, in particular, to the sphere of state funding of research and development in priority fields of science. At the same time, in modern science and practice, even with significant political and cultural differences, unified approaches to understanding the contribution of professional education to the development of society have been formed. Among them: recognition of the significant role of professional education in the development of the nation; network system of international studies; partial autonomy of institutions (freedom of education and research); international mobility of students and teachers; measuring the quality of professional education; social justice in access to free education.

However, today the relationship between education and innovative development of the economy is statistically confirmed only for developing countries, where there is a clearly expressed relationship between the development of professional education and economic growth.

The general education of the population allows poor countries to fulfill their assigned function in the international division of labor. The rate of development of technologies and their global spread in the modern world is so high that institutions traditionally considered as factors of socio-economic and technological progress (open

labor market, state protectionism, protection of property rights, antimonopoly and currency policy, etc.) are not able effectively use their potential. According to the assessment presented in the report "2017 Deloitte Global Human Capital Trends" [7], a person better than organizations, institutions and states keeps up with technological changes, and undoubtedly, in the near future, the main segment of the labor market and the generator of added value will become exclusively human interaction using modern technologies. Further economic growth and innovative development are possible only through continuous improvement of institutions, through proactive social action. This is absolutely not a revolutionary way. The evolution of the labor market and its institutions is already taking place in this direction: the role of "general" human capital is increasing and its value exceeds the value of "specific", the importance of "21st century" skills is increasing.

The human development index of Ukraine in 2020 was 0.779. In 2018, this indicator was 0.750, and in 1990 - 0.705. However, Ukraine's index is far from the level of developed countries in Europe and Central Asia. In connection with the military operating on the territory of Ukraine due to Russia's military aggression, the specified indicator will decrease.

When in 2007 E. Hanushek and L. Weissmann investigated the nature of the influence of the human capital of states on socio-economic development [6], they also established that statistically confirmed growth of human capital is observed in countries where capital (technology, technology, innovation) comes and management competencies that stimulate the development of education to ensure economic activity, which is contrary to the classical concept of human capital. The current leaders of the list of countries according to the human development index are included in the list of leading countries in terms of the intensity of spending on technological innovations and/or the total level of innovative activity of organizations: Norway, Ireland, Switzerland.

Discussion. Thus, in the modern economy there is a process of transformation of the concept of human capital from the point of view of its relationship with economic growth, which takes place in the direction of understanding the role of economic growth and related investments in innovation as the main engine of education development.

Economic growth and related investments in innovation appear in the innovative economy as an engine of education development, which determines the emergence of new institutions and tools for the formation of human capital for the benefit of innovative development. As already mentioned, man is better than organizations, institutions and states in keeping up with technological changes, human interaction with the use of modern technologies becomes a generator of added value and economic growth in the innovative economy.

Economic growth, investments in technology and fixed capital require the development of education to provide the economy with personnel with appropriate qualifications. Today, the rapid mass adoption of digital technologies causes the need to change professions in terms of the set of competencies (digital competencies, etc.), and therefore, the system of professional education. In practice, the result of such a

transformation was education lagging behind the needs of the real sector, a mismatch between the demand and supply of labor market skills. As a reaction to the situation, high-tech and innovative companies are creating their own system of improving the qualifications of working professions and becoming a base for internships for students of professional institutions; in some areas, the severe shortage of qualified specialists has turned their selection into a separate labor market with its own ecosystem.

Conclusions. A feature of the socio-economic development of Ukraine is the special role of human resources in the composition of economic opportunities, determining the ability of socio-economic systems to effectively involve new technologies in the economic turnover, which requires the study of the role of human capital in the socio-economic development of Ukraine.

To date, the relationship between professional education and innovative development of the national economy, which is described in the classical concept of human capital, is statistically confirmed. In the modern science of public administration, there is a process of transformation of the concept of human capital from the point of view of its relationship with economic growth, which takes place in the direction of understanding the role of economic growth and related investments in innovation as the main engine of the development of professional education.

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