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Social model type as a determinant of human capital

This paper discusses the factors that are defining for the of human capital level. The study is based on time series. The regression function are represented for the main factors of human capital. In the future, these regressions used to predict the human development index. Some dependencies provide the possibility of scientific prediction; the time period makes it possible to verify. The functions typology is performed on the basis of regression types and determination coefficients. Some factors considered for groups of countries that use the same social model. The paper discusses the Continental and Scandinavian social model.

Keywords: human capital, factors, regression, functional dependencies, forecast.

Introduction

Measuring the human capital is the difficult complex and ambiguous process. In the early 90s the group of experts of UNO Development Programme the new concept of human potential development was worked out [4]. The cornerstone of this concept is not capability of productive labour (i. e. economic value of person), but development of human as a personality via increase of options due to the growth of life expectancy, education and income. The human development is considered as a purpose and criterion of social progress, but not as a facility of economic growth. The advantage of the concept is distinguishing the fundamental criteria of social development (long life, education, income), suitable for quantitative comparison. The demographic characteristics (life expectancy, infant mortality rate) and economic indicators (GDP, CIP) were used as generalising features for a long time.

Nevertheless, the development of the world has demonstrated that the economic growth is not always followed by positive social consequences, seen in creation of favourable conditions for increase of population education level, accessibility of healthcare services, develop-ment of sport, decrease of unemployment risk, etc [15]. That is why the system of indicators of population living standards comprises demographic and socio-economic indices nowadays. They reflect the important sides of human development. The method of calculation of these indices is improving according to international classifications, and results in the Index of the Human Capital Development (HDI), which is measured all over the world. On the basis of the above written, the human capital is a certain integral value calculated on the fundamental of numerous indicators. Undoubtedly, these components will be determining for the human capital measurement [2, 8, 9, 10]. Several researches demonstrate that the same factors are determining for social model as well [11, 12, 13, 14].

Social Model and the Human Capital Development

The society functioning within the state can be described with a special social model, showing the way how this process happens. Any social model has certain elements which can be mentioned in a flexible order: taxation, social insurance, public services, regulations [5].