

DEVELOPMENT OF POPULATION QUALITY AND REPRODUCTION OF HUMAN CAPITAL IN KAZAKHSTAN



Population quality

- **Population quality is the functional characteristics (abilities) of population, which allow population to meet new challenges and use the socio-objective reality, not only to live in these various new situations, challenges and changes (structural, ideological, economic, social, political), but also use them for its development.**

Population quality

- However, for the population the ideas of quality and quantity are not mutually exclusive, they are **complementary and closely linked**. The concept of population quality is not a substitute for the characteristics set of demographic processes, but it is a **focus on the unity** of these characteristics as complementary elements of population reproduction, which explains their conditions and patterns of change.

Population quality

- **Population quality describes specific historical conditions and environment where population was reproduced, also it indicates the causes of changes in population under the influence of transformation of socio-economic, climatic, techno-economic, socio-cultural and other factors.**
- **That is why, the study of the population quality phenomenon expresses the certain level of the cognition of population, the certain level of knowledge about population.**

HUMAN CAPITAL



Human capital

- **Human capital refers to the stock of skills and knowledge embodied in the ability to perform labor so as produce economic value, formed as a result of investment and accumulated human's health, knowledge, skills, abilities, motivations which are expediently used during the process of labor, contributing to human's productivity and wage increase.**

Capital or not Capital

- **Human capital theory studies the process of qualitative improvement of human resources, forming one of the central divisions of modern labor supply analysis.**
- **Capital, *per se*, is not the thing, not the property, but historically defined economic relations regarding things, the attitudes about the changes in their value, i.e. their capitalization.**

How to measure?

- **At this stage there is no definitive measure of human capital. Moreover, we do not see the absence of an all-encompassing widely accepted definition of human capital as an obstacle.” (Stroombergen, 2002)**

How to measure?

- **Different research topics will require different measures of human capital. No single measure of human capital is likely to be suited to all research questions.**
- **Measures of human capital are inputs in some areas and outputs in others and different measures suit different research questions. The diversity of measures is likely to continue to prevail for both practical and theoretical reasons.**


How to measure?

- **In the absence of well-defined measures of human capital researchers have had to appeal to proxy measures, such as years of schooling, health indicators and other. This points to gathering together series and measures that relate to, but do not necessarily closely define human capital, but nevertheless could still be found useful by researchers investigating various aspect of human capital theory.**

HUMAN CAPITAL
VERSUS
DEMOGRAPHY



- **Demographic realities are substantially determined by economic and social circumstances and institutions. But they also influence those circumstances and institutions through variety of channels (Bloom, 2004). Human capital is a link which enters both the causes and effects of economic-demographic changes. (Mincer, 1981) Human capital can not be developed in isolation. Rather, it is influenced by the interaction of complex demographic, social and economic factors.**

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- **The basis of human capital is people. Therefore, the key factor that influences the size of a country's stock of human capital is demographic. The attainable level of human capital stock can be promoted or limited fundamentally by population. In addition, the characteristics of population (for example, its age profile) have a large influence on the potential stock of human capital – both for today and in the future.**

**SO, HOW IS IN
KAZAKHSTAN?**



The transformation in Kazakhstan

- **Kazakhstan has faced tremendous social changes after collapse of the U.S.S.R. It was not only collapse of political regime, but also the collapse of established socio-economical relations in the society, the collapse, in terms of employment, and social infrastructure.**
- **The substantial changes in economic and social sphere of early 1990's had a direct impact on the demographic situation in Kazakhstan.**

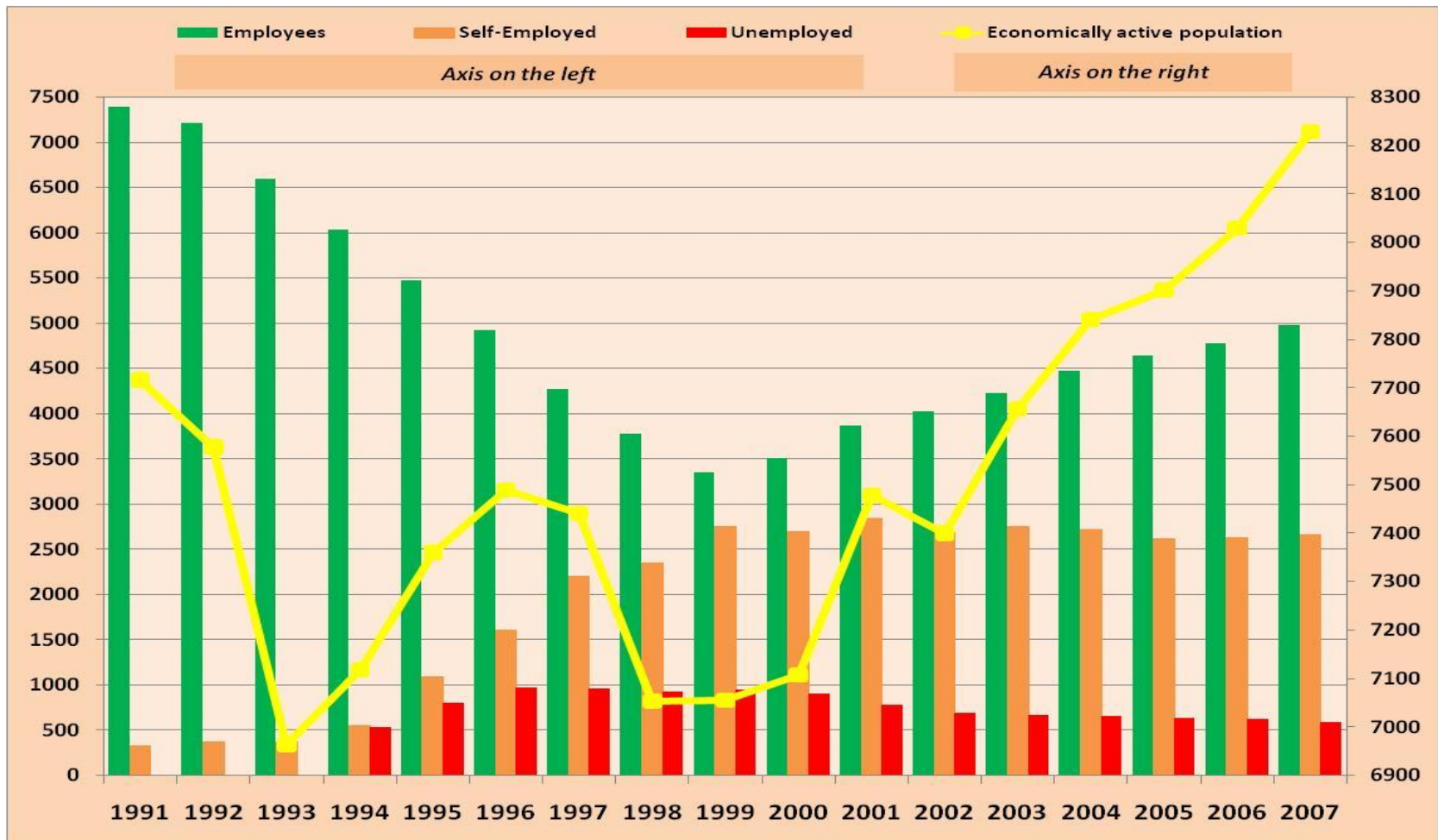
History of Kazakhstani population

- The history of Kazakhstani population in the 20th century can be divided into 3 main periods:
- 1) *mid-1920's - early 1960's*: population was formed largely due to a mechanical increase (migratory processes);
- 2) *mid 1960's - late 1980's*: natural increase dominated, while net migration gradually become negative;
- 3) *1990's*: a decline in the total population observed.

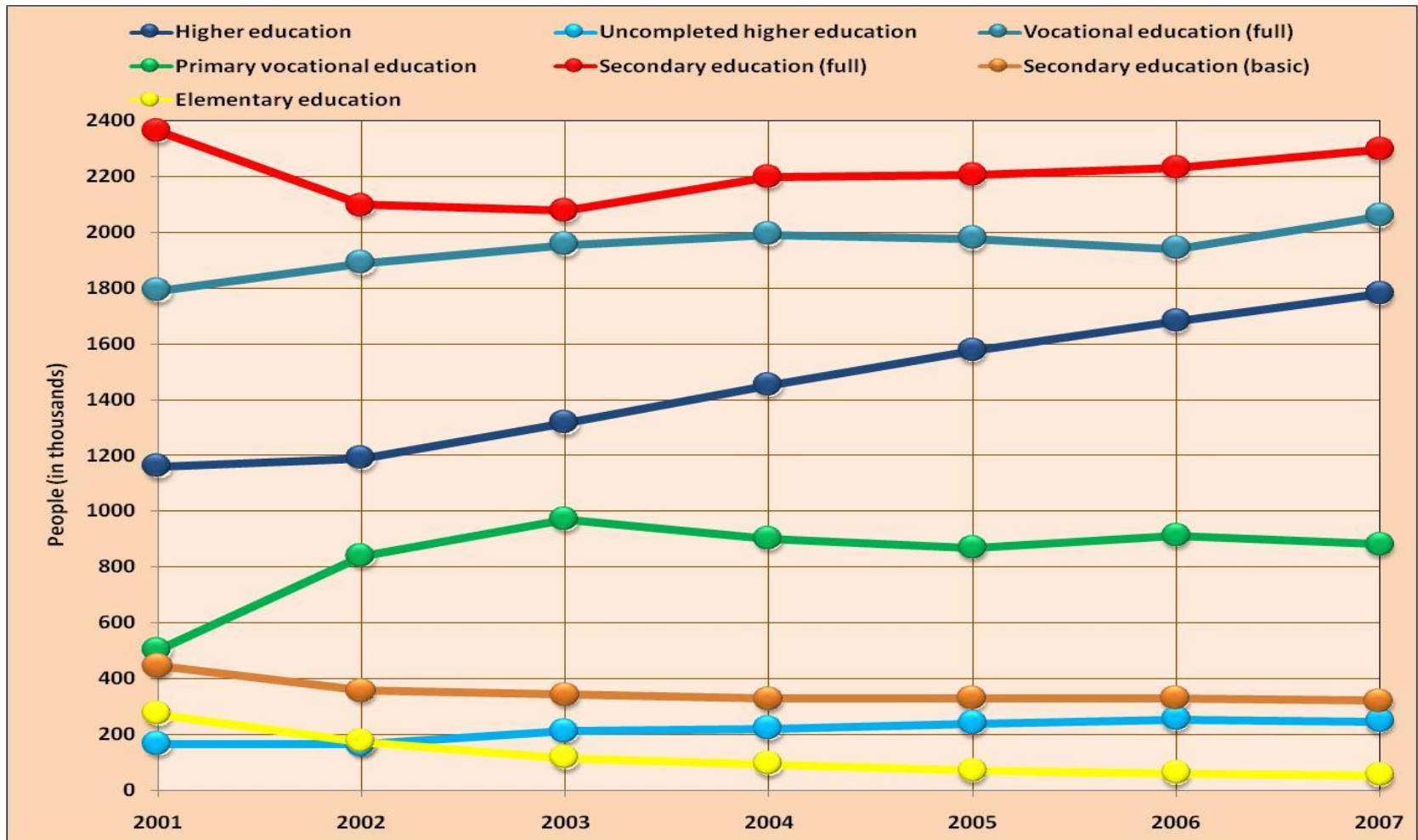
The transformation in Kazakhstan

- **The process of social transformation in Kazakhstan was accompanied by a giant immediate devaluation of human capital, which had been accumulated and generated in previous socialistic era. This massive depreciation affected the level of productivity in different areas of social life and social relations. The old part of human capital came under reevaluation and reconsideration.**

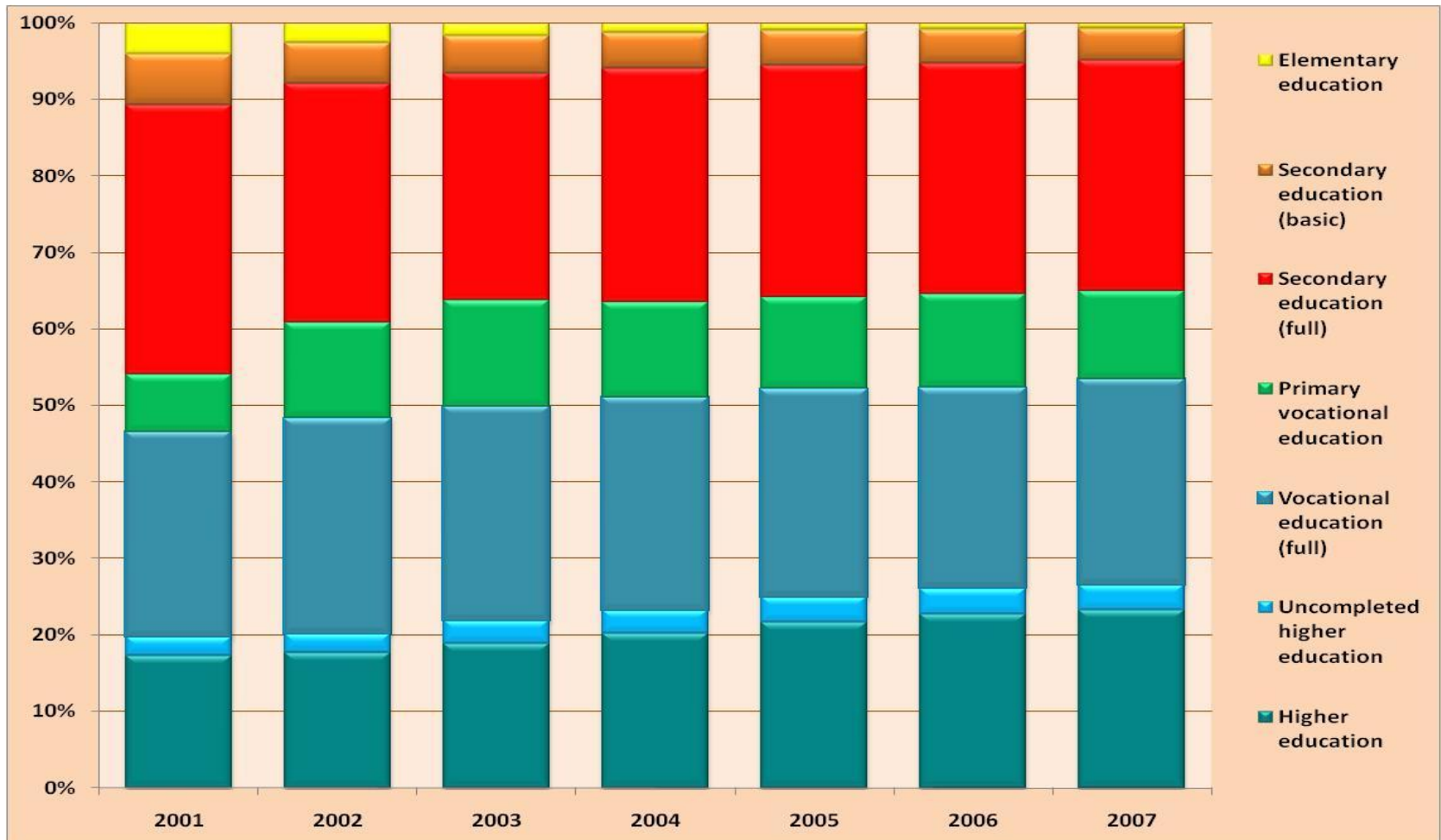
Economically active population



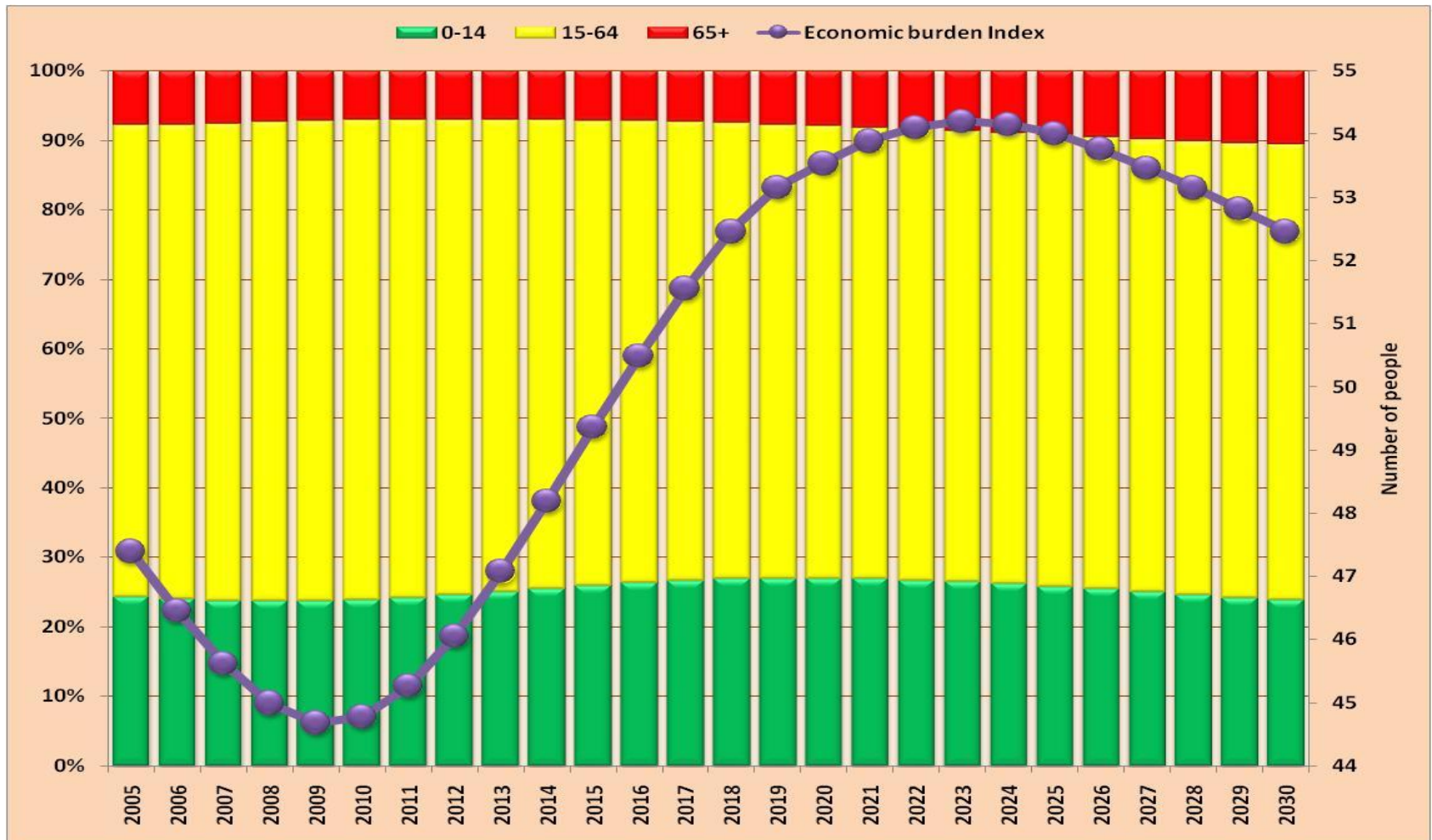
Occupied population by educational level



Occupied population by educational level (shares)



Proportion of age groups and level of economic burden in Kazakhstan



Instead of Conclusion

- **The idea of human capital is not just a simple description of population abilities to reproduce needed labor qualities for development. The idea of human capital represents the form of complex human interaction of every member of society with social environment.**