



Question-1

What do you understand by 'people as a resource'?

Solution:

'People as Resource' is a way of referring to a country's working people in terms of their existing productive skills and abilities. Human resource is an asset for the economy rather than a liability. Population becomes human capital when there is investment made in the form of education, training and medical care. In fact, human capital is the stock of skill and productive knowledge embodied in them.

Question-2

How is human resource different from other resources like land and physical capital?

Solution:

Human capital is in one-way superior to other resources like land and physical capital: human resource can make use of land and physical capital. Land and physical capital cannot become useful on its own.

Question-3

What is the role of education in human capital formation?

Solution:

Educated people find jobs in private firms while the uneducated people continue with the same work as their parents. They earn a meagre income like their parents, which is just enough to support a family. Several years of education adds to the quality of labour. This enhances their total productivity. Total productivity adds to the growth of the economy. This in turn pays an individual through salary or in some other form of his choice. It is a known fact that with investments made on education and health; one can yield a high return in the future in the form of higher earnings and greater contribution to society.

Question-4

What is the role of health in human capital formation?

Solution:

The health of a person helps him to realise his potential and the ability to fight illness. An unhealthy person becomes a liability for an organisation. Health is an indispensable basis for realising one's well being. Henceforth, improvement in the health status of the population has been the priority of the country. Our national policy, too, aimed at improving the accessibility of healthcare, family welfare and nutritional service with special focus on underprivileged segment of population.

Question-5

What part does health play in the individual's working life?

Solution:

Health plays a vital role in an individual's working life, since no firm would be induced to employ people who might not work efficiently as healthy workers because of ill health and not only that, people who are physically or mentally ill cannot work.

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