

DOI: [https://doi.org/10.18371/fp.3\(39\).2020.215159](https://doi.org/10.18371/fp.3(39).2020.215159)

JEL Classification: E22, J24, O10, Z10

INVESTING IN CULTURE AS A FACTOR IN THE DEVELOPMENT OF HUMAN CAPITAL AND ECONOMIC GROWTH OF THE COUNTRY

KOPYL Olena

Postgraduate student

Dnipro State Technical University

ORCID ID: <http://orcid.org/0000-0003-3490-7332>

e-mail: kopyl794@gmail.com

Abstract. *The article discusses the main approaches to the definition of the concept of «investment in human capital». The author gives its own definition of the concept of "investment in human capital". The main types of investments in human capital are investigated. It has been established that investment in culture is a factor in the development of human capital and economic growth of the country.*

Keywords: *investments, investment attractiveness, human capital, culture, national economy, economic growth.*

The concept of «human capital» means not only awareness of the crucial role of man in the economic system of society, but also recognition of the need to invest in people, as capital is acquired and increased by investing (by limiting current consumption) and brings long-term economic effect.

Investments in human capital are all types of expenses that made in monetary, tangible or intangible form, and have a direct or indirect impact in the future on professional growth and/or increase productivity.

Types of human capital distributed according to the degree of creativity and efficiency as a productive factor. According to this typology, human capital is divided into negative human capital (actively hinders development processes); passive human capital – consumer, uncreative, which does not participate in

innovation processes; positive – creative, innovative human capital.

Negative human capital is formed basis on negative mentality, low culture of the population, in particular at a low level of work ethic, negative traditions of government, underdeveloped civil society.

The best option for investment is countries that have a high level of human development, such countries have the lowest risks for the investor, and the investment offer is the widest with a high share of innovation. It should be noted that the development of innovative human capital is based on creativity.

The economic dimension of creativity is to identify its impact on entrepreneurship, generate and stimulate innovation, increase productivity and economic growth in the country as a whole.

The raw material for a creative economy is the ability to generate original ideas and turn these ideas into economic capital and a marketable product. Cultural and creative industries have strategic potential and contribute to the smart, sus-

tainable and integrated growth of regions and cities.

The results of the study suggest that investing in culture is a factor in the development of human capital and economic growth of the country.

References

1. Vasylychenko, V. S., Hrynenko, A. M., Hrishnova, O. A. & Kerb, L. P. (2005). *Upravlinnia trudovym potentsialom [Management of labor potential]*. Kyiv : KNEU [in Ukrainian].
2. Makkonel, K. R. & Briu, S. L. (1992). *Ekonomiks: pryntsyipy, problemy i polityka [Economics: principles, problems and policies]*. (Vol. 2). Moskva : Respublika [in Ukrainian].
3. Kolosyuk, A. A. (2007). Nekotorye teoreticheskie aspekty formirovaniya che-lovecheskogo kapitala [Some theoretical aspects of human capital formation]. *Problemy teorii i metodologii buhgalterskogo ucheta, kontrolya i analiza - Problems of theory and methodology of accounting, control and analysis*, 2, 91–97 [in Russian].
4. Kavetskyi, V. V. (2007). Investytsii v liudskyy kapital ta yoho formuvannia. [Investment in human capital and its formation]. *Ekonomycheskye nauky - Economic sciences*, 1, 96 [in Ukrainian].
5. Becker, G. S. (1993). *Human Capital : a theoretical and empirical analysis*. Chicago : The University of Chicago Press.
6. Mincer, J. (1958). Investment in Human Capital and Personal Income Distribution. *Journal of Political Economy*, 66 (4), 281–302.
7. Tnurow, L. (1970). *Investment in Human Capital*. Belmont.
8. Schultz, Theodore W. (1971). *Investment in Human Capital. The Role of Education and of Research*. New York: The Free Press.
9. Kendrik, Dzh. (1978). *Sovokupnyj kapital SShA i ego formirovanie [Aggregate US capital and its formation]*. Moskva : Progress [in Russian].
10. Rozvytok liudskoho kapitalu: na shliakhu do yakisnykh reform [Human capital development: on the way to quality reforms]. razumkov.org.ua. Retrieved from: http://razumkov.org.ua/uploads/article/2018_LUD_KAPITAL.pdf [in Ukrainian].
11. Law of Ukraine on Culture № 2778-VI (2010, December 14). Retrieved from: <https://zakon.rada.gov.ua/laws/show/2778-17#Text> [in Ukrainian].

12. Order of the Cabinet of Ministers of Ukraine on approval of types of economic activity that belong to the creative №265 (2019, April 24). Retrieved from: <https://zakon.rada.gov.ua/laws/show/265-2019-%D1%80#Text> [in Ukrainian].
13. Sakhenko, O.I. (2015). Osnovni vydy investytsii v liudskiy kapital [The main types of investment in human capital]. *Efektivna ekonomika - Efficient economy*, 10. Retrieved from: <http://www.economy.nayka.com.ua/?op=1&z=5223> [in Ukrainian].
14. Korchagin, Yu. A. (2005). Shirokoe ponyatie chelovecheskogo kapitala. [A broad concept of human capital]. *Czentr issledovaniy regional'noj ekonomiki - Center for Regional Economic Research. Voronezh* [in Russian].
15. Kharrison, L. (2014). *Evrei, konfuczianczy` i protestanty`: kul`turny`j kapital i konec mul`tikul`turalizma [Confucians and Protestants: cultural capital and the end of multiculturalism]*. (Yu. Kuzneczova, Trans.). Moskva [in Russian].
16. The Global Competitiveness Report 2014–2015. www3.weforum.org. Retrieved from: http://www3.weforum.org/docs/WEF_GlobalCompetitivenessReport_2014-15.pdf.
17. The Global Competitiveness Report 2016–2017. www3.weforum.org. Retrieved from: http://www3.weforum.org/docs/GCR2016-2017/05FullReport/TheGlobalCompetitivenessReport2016-2017_FINAL.pdf.
18. The Global Competitiveness Report 2017–2018. www3.weforum.org. Retrieved from: <http://www3.weforum.org/docs/GCR2017-2018/05FullReport/TheGlobalCompetitivenessReport2017%E2%80%932018.pdf>.
19. The Global Competitiveness Report 2018. www3.weforum.org. Retrieved from: <http://www3.weforum.org/docs/GCR2018/05FullReport/TheGlobalCompetitivenessReport2018.pdf>.
20. The Global Competitiveness Report 2019. www3.weforum.org. Retrieved from: http://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf.
21. Kultura maie znachennia [Culture matters]. culturepartnership.eu. Retrieved from: <https://www.culturepartnership.eu/ua/page/culture-matters> [in Ukrainian].
22. Doslidzhennia Fondu «Demokratychni initsiatyvy» imeni Ilka Kucheriva shcho do dotrymannia kulturnykh prav liudyny v Ukraini z vrakhuvanniam rehionalnykh osoblyvostei [Study of the Ilko Kucheriv Foundation for Democratic Initiatives on the observance of cultural human rights in Ukraine taking into account regional peculiarities]. dif.org.ua. Retrieved from: <https://dif.org.ua/uploads/pdf/19484532155c0fae449caba5.69437042.pdf> [in Ukrainian].

23. Deiaki aspekty kulturnykh praktyk i kulturnoi infrastruktury Ukrainy [Some aspects of cultural practices and cultural infrastructure of Ukraine]. uccs.org.ua. Retrieved from: <http://uccs.org.ua/wp-content/uploads/2019/03/deiaki-aspekty-kulturnykh-praktyk-i-kulturnoi-infrastruktury.pdf> [in Ukrainian].