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ROLE OF EDUCATION IN ECONOMIC DEVELOPMENT OF INDIA WITH SPECIAL REFERENCE TO HUMAN CAPITAL- A STUDY

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ABSTRACT:
Education is really important for a country to grow and for people to do well. In countries like India that are still growing education helps people do their jobs better makes sure they have money and helps them get jobs. This means that India can keep growing and people can have a life. Education in India is very important for the country to have an economy. Education helps India have an economy and it helps people in India have the skills they need to do well. This paper looks at how education helps Indias economy grow and how it helps people, in India get the skills they need. The paper looks at information from government reports and other studies to see how education helps people develop skills and knowledge which's important for the economy to grow. Education is really important for human capital development. This helps the economy. The Indian education system is facing some problems like having too many people losing skilled workers to other countries not having enough jobs being poor and not being good enough. Even though India has done a job of getting more people to go to school and learn to read the government is not spending enough money on education and people are not learning the skills they need so the country is not getting the best results from its people. The Indian education system and education in general are crucial, for human capital development and economic growth. The paper says we need to make our education policy better. We have to focus on teaching people skills that they can actually use. We also need to put money into education. This way we can have an economy that works for everyone. That will last. The paper is talking about education and how it can help us have an economy that is good, for everyone so we need to improve education to achieve this.

Keywords:
Education, Economic Development, Human Capital, Productivity and Poverty Alleviation.

INTRODUCTION:

Education is really important for a country to grow and change. It helps people do their jobs better and come up with ideas. Education also makes it easier for people to get hired. Without putting money into education a country will not be able to grow and get better.

We can look at countries like South Korea, Japan and Singapore to see how education helps. These countries have shown that education is the key to moving and getting better quickly. Education helps people in these countries learn things and come up with new ideas, which is important for a country to grow and change.

The fact is, education is very important for growth and change in a society. Education helps people and countries, like South Korea, Japan and Singapore to do and grow faster.

In the Indian context, education has been accorded high priority since independence. Policymakers have consistently emphasised education as a key driver of economic growth, social equity, and national development. Education not only enhances individual capabilities but also contributes to national income, poverty reduction, and improved income distribution. By equipping individuals with knowledge and skills, education strengthens human capital, which is a critical input for economic development

India is making progress with more people learning to read and write and more kids going to school.. India still has a lot of problems with the kind of education people are getting learning new skills finding jobs and making sure everyone has the same chance to learn. The government is spending around 2.9 percent of the countrys money on education, which's not enough. This paper is going to look at how education helps Indias economy grow especially when it comes to education and the problems that come with it. Education in India is very important, for the country's development and for people to get better jobs and have better lives.

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REVIEW OF LITERATURE:

Education is really important for the economy. People like Schultz and Becker did some work on this a time ago in 1961 and 1964. They said that education is, like an investment that helps people do their jobs better and earn money. Some new studies have looked at this again. They agree with Schultz and Becker. Education and human capital are connected to growth.

Hanushek and Woessmann said in 2017 that the quality of education is very important for growth. It is not about how many years you go to school. The quality of education is what really matters. Psacharopoulos and Patrinos found out in 2018 that education still pays off a lot in countries that're not as rich. This is especially true when people get an education. Education is still very valuable, in these countries.

In India education is really important. Tilak said in 2018 that education helps the country grow economically by teaching people skills coming up with new ideas and making society better.

Agrawal and Khan found out in 2020 that spending money on education has an effect on how well people work and how many jobs are created.

The World Bank said in 2020 that education is necessary for India to develop its capital and take advantage of the fact that it has a lot of young people, which is called the demographic dividend. Education is key, to Indias growth and education helps India in ways like education helps people get better jobs and education helps India become a better country.

The Economic Survey of India for the year 2022 to 2023 said that more people are going to school and the schools are getting better. The Economic Survey of India is worried because the government is not spending more money on education. The United Nations Educational Scientific and Cultural Organization or UNESCO looked at Indias education system in 2023. UNESCO found that Indias education system has some problems. These problems include kids not learning much as they should some people having access, to computers and the internet and others not and people not learning the skills they need to get a job. The education system of India is having these problems.

The thing about education is that it really matters when we talk about human capital formation and economic development. Education is very important, for these things. The problem is that it is hard to make policies that actually work.

OBJECTIVES OF THE STUDY:

This study is done for a main reason:

- To examine the role of education in the economic development of India with special reference to human capital formation.
- To analyse the contribution of education to productivity, employment, and poverty alleviation.
- To identify key challenges faced by the Indian education system in promoting economic development.
- To suggest policy measures for strengthening education-led economic growth in India.

RESEARCH METHODOLOGY:

This study is really, about looking at things and analyzing them. It is based on information that was already collected from:

- Government publications such as Economic Survey of India, National Education Policy (NEP) documents
- Reports from international organizations like World Bank, UNESCO, and UNDP
- Research articles published in national and international journals
- Books, working papers, and online academic databases

We looked at the information we collected to see how education, human capital and economic development are connected. We used methods to understand what this information means. The main goal was to find out how education and human capital affect development. We wanted to know how these things are related to each other. We studied the information carefully to find the answers. Education, human capital and economic development are all important so we looked at them closely to see how they work together.

DATA ANALYSIS AND INTERPRETATION

Education and Human Capital Formation

Human capital is what people know. Can do that helps the economy. It is the knowledge and skills that people have. Education is very important, for capital. It helps people think better and learn things. Education also teaches people skills and helps them come up with new ideas. Human capital is really important because it is what people

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have to offer to make the economy work better. Education helps build capital by making people smarter and more skilled.

In India, education has contributed significantly to the development of skilled professionals in sectors such as information technology, healthcare, engineering, and research. A skilled workforce enhances labour productivity, increases efficiency, and supports technological advancement

- Education and Economic Growth
- Education helps the economy grow in ways.
- It gives people skills to get good jobs
- Education is very important for the economy because it helps people learn things and get better jobs.
- Education also helps people start their businesses and create new jobs, for others.

The more people have Education the more the economy will grow.

- Increasing labour productivity
- Facilitating adoption of new technologies
- Promoting innovation and entrepreneurship
- Enhancing income levels and consumption

Countries that put money into education tend to have faster economic growth. This is what has happened in India, where more people can read and write and where more people have an education. This has helped India have growth in areas like service industries and industries that are based on knowledge, such as education and technology and these industries like service industries and knowledge-based industries are really important, for India.

Education, Employment, and Poverty Alleviation

Education helps people get jobs by teaching them what companies are looking for. When you have education you can get a better paying job and you are less likely to be unemployed. Education is really important for helping people who're poor because it gives them more chances to make money and it helps stop poverty from being passed down from one generation to the next. Education does a lot of things for people like education helps people get out of poverty and education gives people more opportunities to make a good income. Education is the key, to getting a job and making a good living.

Education and Productivity

- People who have an education can do their jobs better and they are able to learn new things easily.
- Education helps people use machines and computers in a way.
- When people have an education they can work well with the resources they have this means they can produce more and the country can become richer.
- Education is also good because it helps women get jobs and be equal to men.
- Education helps women to work and earn money like men do this is very important for women to have the same rights, as men.

FINDINGS AND SUGGESTIONS

Findings

- Education really helps people in India to become more skilled. This is very good for the countrys economy. Education is very important for India because it helps people to get jobs and this makes the country richer. Education in India is the key to making the country a better place. The more people get education in India the more the country will. Become a great place to live. Education is very important for the people of India. It plays a big role, in the development of India.
- When people have education they can do their jobs really well and this helps create more jobs and reduces the number of people who are poor. Having education is very important for the people and it helps them to get good jobs and have a better life, which is why improved education levels are so good for people because they contribute to higher productivity and that means people can work better and this also means there is employment generation and that means more people have jobs and this also means poverty reduction, which is when fewer people are poor and that is a very good thing for the people because improved education levels are the key, to all of this.

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- Even though more students are signing up for schools the quality of education is still a problem and people are worried that students are not learning the skills they need for jobs so there is a big mismatch between what students learn and what the education system should be teaching and this is a major issue, with the quality of education and the skills that students are learning.
- The amount of money that the government of India spends on education is pretty low when we compare it to what other countries spend on education. India spends a part of its budget on education. This is an issue because education is very important, for India and its people. The government of India should spend money on education in India.
- Challenges such as population growth, poverty, unemployment, and brain drain hinder effective human capital development.

Suggestions

- Increase public expenditure on education to at least 6% of GDP.
- Strengthen skill-based and vocational education to address unemployment.
- We need to make the quality of education by training teachers and changing what our children learn in school. The education quality is very important. We have to work on it. This can be done by training teachers and also, by changing the curriculum. The curriculum reform and teacher training are key to improve the quality of education.
- Promote digital and inclusive education to bridge regional and social disparities.
- Implement policies to reduce brain drain and retain skilled professionals.

CONCLUSION

Education is really important for a country to grow and for people to have jobs. It helps people work better get jobs and have money, which means they are not poor. In India education has helped the country do well. There are still many problems that stop it from being as good as it can be. India needs to spend money on education make it better and teach people the skills they need to get jobs so that all the young people in India can help the country grow and be successful. Education, in India is very important. It can really help the country if it is done properly. A robust education system not only contributes to economic growth but also fosters social development and cultural enrichment, making it a critical pillar of national development

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