

REGIONAL COOPERATION FOR HUMAN RESOURCES DEVELOPMENT

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Human capital development is key to economic and social developments from developing to developed countries. Education and health are of vital importance for poverty reduction, and initiatives of UN regional commissions (in cooperation with other UN organisations, governments and local stakeholders) in education and health are numerous.

The initiatives must focus on the improvement of access to education (equal opportunities to everyone irrespective of income level, gender and age) and better use of human resources. For this, adequate social policies including education and employment policies must be defined. Governments' investments in human capital should consider medium and long-term benefits in promoting growth and combating poverty and overcome a short-term approach (although fiscal austerity can hamper this).

Globalisation and the knowledge-based economy emphasise the need for updating human capital (e.g. in ICT) and the introduction of life long education. Growing competitiveness in human capital requires adequate responses from all stakeholders, individuals, governments, civil society, and international organisations. The commitments to increased human capital mobility (including professional, geographical) are crucial.

Despite the recognition of the importance of human capital, in various parts of the world, a process of deterioration of the quality of human capital as a result of degradation of educational systems is ongoing (in Latin America, in most of transition states in the former Soviet bloc)

The rich human capital stock in the transition economies is a key element of their success: many transition states take advantage of high skills and low unit labour costs in attracting Foreign Direct Investment. However, some negative processes undermine this comparative advantage of countries with economies in transition: the alarming trend of declining enrolment in higher education in most of the CIS, the growing gender inequality in higher education as an implication to negative social developments and religious barriers), the growing differences in the quality of education systems.

Educational expenditure per student is low and increases very slowly. Due to the lack of links between education policies and innovation policy, the education of researchers in transition economies is declining rapidly. Policies are needed to promote cooperation between government, industry science and NGOs. It is important that FDI generates jobs of sufficient quality and pay, unlike in the first stage of transition when low qualified and low paid jobs contributed to brain drain from transition economies.

Conflicts have been a constraint to human developments in many regions. They undermine investments in human capital in education and health. The development of human capital is very much determined by the expansion of democratic rights and freedoms.

Health initiatives are focused on combating HIV/AIDS and other epidemics that spread due to poverty, lack of information and lack of resources. Therefore, there is a need for the involvement of UN agencies governments and NGOs. The improvement (or the reform) of

health care is inevitable not only in developing but also in many developed states in order to improve the efficiency of health spending and the quality of health care services.