The Economic Decline is Rooted in Lack of Human Capital in Afghanistan

By: Mohammad Zahir Akbari

With formation new social life and modern human society debate over use of limited resources to meet the unlimited demands has been raised as a fundamental issue. Scientists and scholars of social sciences have made constant efforts to find a right and rational answer to fundamental questions such as how to be able to make a logical balance between the unlimited human needs and the limited world resources. Efforts mainly focused on the central point to find a logical and effective mechanism for balancing existing needs and resources. On the other hand, the history of human livelihood has shown that all social changes and many of the world’s scientific and cultural developments are shaped by the factor of economic resources and capabilities. The social scientists consider the economy as the foundation for all developments in human life. Our culture has always been a special attention in this regard. This kind of saying is very common in our society: “one, who does not have wealth is deserving of no one’s respect.”

In the Afghanistan, after many wars of war and destruction, now there are some chances to move forward towards economic developments. At this step, the priorities of Afghan society, as we need to focus on training of highly professional people so as to lead the economy of our country. According to economic experts, in addition to other factors which caused economic and currency decline in Afghanistan, the main factors are lack of special skills at field in economic activities. So, we need to cross from the level of managing created public banks of the country by undergraduate people; the Afghan National Bank and other financial organization of country by undergraduate PDI holders are not providing professional people. In short, we can never respond to the economic needs and risks unless the economy of human capital development has serious investment in universities.

The university education is one of the logical and effective mechanisms to answer these challenges, they need to expand and explain the latest scientific achievements in the economy. According to experts, training of human capital, especially in the economic centers, is a necessary condition for the major areas of social science as a foundation of other social development and progress. The training centers are areas which can not be neglected; it is not only a luxury to think that today, the presence of people with some professional training is able to make strategic plan and manage private and public businesses with a clear mind.

Initially, the capital country is created by providing children with good primary, and secondary education. Private foreign investment in this type of investment is not feasible for poor children. Countries that are highly developed today have a long history of providing free or highly-subsidized education to the poor. A review of the history suggests that the initial inputs for this schooling had a religious basis, but that in the public sector of education and income rose, their demand for schools and education grew. The growth in financial contributions from private donors was replaced or greatly augmented with public schools. In poor countries where the public sector is the main源泉 of income, they need to provide public funding for the universal education. A country is not strong, at least at the primary and secondary level of schooling.

The question is that poor countries are poor because they lacked human capital. They deduced that rich countries developed in World War II were able to quickly employ massive amounts of new physical capital, while the poorest countries seemed unable to successfully utilize such small amounts. They theorized that a nation’s capacity to produce and use physical capital is a function of its current level of human capital and that if human capital does not increase dramatically, then economic development will not proceed. In addition, it is notified that human capital is more likely to be assessed for development because governments and investors are eager to invest in physical capital, but not in human capital.

These relationships between the two capitals (human capital and physical capital) are complementary. There is some variation in the relative amounts of these two types of capital, but no countries have high levels of only one type. For example, the U.S. has more human than physical capital, while Japan has more physical than human capital, but both countries have high levels of both. Similarly, studies show that economic development does not occur automatically. If it did, there would not be such large differences in the magnitude of the capital stocks between countries. Nevertheless, the relationship of these two factors is not present in the less developed countries, facilitated historic investment in both types of capital. It is also evident that whatever these characteristics are, they vary widely across countries because levels of capital/adequate development of physical capital is not compatible with the presence of economic development. A similar situation is shown by the academic centers of country would be able to take part in the global economy.

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The Case for a World Carbon Bank

By: Kenneth Rogoff

Although much derided by climate-change deniers, not least US President Donald Trump, Alexandria Ocasio-Cortez’ Green New Deal, which was unveiled in late April in an urgent call for the US Congress to lead by example on global warming, has captured the world’s imagination. But for all the needlessness of the bill, as planned and produced by America’s glittering cultural, emerging Asia is by far the main driver of the surge in carbon dioxide emissions. No amount of handwringing will solve the problem. The way to do is to establish a new global carbon dividend for the world’s poorest people. China, India, Vietnam, Indonesia, and Bangladesh.

It is not hard to see how to do this. The world is in the process of building a framework of existing multilateral carbon markets, which have limited expertise on climate issues and are pulled in different directions by their various constituencies. The carbon market has over the last few years grown to over $200 per ton, a truly remarkable achievement. But replacing dirty coal plants with relatively clean natural gas it is hard to say how the US has managed to reduce emissions growth dramatically over the past decade (despite Trump’s best efforts), and a centerpiece of the famous “Princeton wedge” pragmatic option for maintaining climate risk. One cannot let the perfect become the enemy of the good in the transition to a carbon-neutral future.

It is high time to create a new, focused agency, a World Carbon Bank, that provides a vehicle for advanced economies to coordinate aid and technical transfer, and that is not directly trying to slow down or solve every other development problem. Yes, I fully understand that the carbon market’s administration is no longer facing all environmental institutions. But the West cannot retreat from the world of international human rights. The US is the world’s only country that directly and indirectly the US needs.

It is also evident that whatever these characteristics are, as a nation’s human capital and that if human capital does not increase government plans to use it well and only small amounts. They theorized that a nation’s capacity to produce and use physical capital is a function of its current level of human capital.