

Investing human capital in education for unlimited excellence in KSA

Hoda Ahmed Ibrahim Abdelnabi
Arab East Colleges, Riyadh, KSA

keywords

Investment - Human Capital - Education - Economic Growth - Excellence Without Borders.

Abstract

The study aimed to shed light on the importance of investing human capital in education for distinction without borders and to identify human capital indicators, human capital theory, internal growth theory, and the importance of investing in human capital in education. The study problem was represented in the following main question: Is investment in Human capital in education a way to achieve sustainable development? The study relied on data issued by some international institutions such as the reports of the global capital index issued by the World Economic Forum, the World Bank report, the International Monetary Fund report, in addition to previous studies that dealt with human capital. The results of the study showed that human capital is the real wealth, as it abounds with young human capital with high capabilities that enable it to grow and develop, and there are large investments in education, impressive growth in enrollment rates, and equal opportunities for both genders at almost all levels of education. This requires specialized cadres and high technologies, in addition to This human capital index measures the current results of education and health policies quantitatively on future outputs, and this is what the strategy of the Kingdom of Saudi Arabia 2030 aims at. The study recommended the Develop a plan based on sustainable development of human capabilities and develop them to cope with future challenges that are heading towards technology and artificial intelligence as a type of human investment to obtain an education Excellence Without Borders. Building bridges of cooperation between Saudi universities and internationally accredited training centers inside and outside the Kingdom to support innovation, creativity, and motivation for Excellence Without Borders.

Introduction

Investing in human capital in education is the basis for the advancement, progress of individuals and societies at all times and places. This is theoretically confirmed by the summary of recent literature based on the theory of human capital (Becker, Schultz, 2012) and the theory of endogenous growth that appeared in the eighties of the last century (Lucas, Romer Barro, 2019). This is practically confirmed by the experience of emerging economies that have focused in their development strategies on the priority of investing in people.

Investing human capital in education is the most important source of promoting human development, given that education is the key to knowledge and the development of societies through real human capital development. Economic reforms in Saudi Arabia are beginning to yield positive results. In order to achieve a diversified, productive and competitive economy, reforms should work to increase and raise the competencies of faculty members in different disciplines to exploit untapped energies and direct them towards new programs that are developed according to the needs of the labor market.

The Study Problem

UNESCO reports confirmed that there is an important positive relationship between investment in human capital and economic growth in all countries the world, according to the World Bank report, education brings more important returns to human societies, and the World Bank confirms that education is one of the main factors for achieving sustainable growth. In its strategic objectives, the Saudi Ministry of Education emphasized the importance of developing the capabilities of educational cadres, hence the study problem in the following main question: Is investing in human capital in education a way to achieve sustainable development?

Study objective

The study aimed to shed light on the importance of investing in human capital in education, which contributes to achieving the vision of the Kingdom of Saudi Arabia 2030. This can be explained as follows: First, the low rates of spending on education in the Arab countries compared to other developing countries, which have achieved rapid rates of growth, in addition to the lack of optimal use of this spending, and secondly, the inappropriateness of higher education outputs to the needs and requirements of the labor market in Arab countries, which ultimately leads to a weak contribution of human capital to economic growth in Arab countries. Finally, human capital differs from the labor component in the integration of skills, competencies and education required by the development process.

Importance of studying

The Kingdom of Saudi Arabia seeks to invest in human capital in university education to excel without borders through various disciplines and work to develop and improve them, as well as the importance of the university education sector and its role in economic and human development.

Methodology

The paper adopted the secondary method of data gathering technique on Investing human capital in education, these include journals, books, references, literature, previous experiences of some countries, and the report issued by some international institutions, also the World Bank report for some countries such as Ghana, Egypt, Morocco, the Philippines, and Singapore.

The Theoretical Study

Theoretical Framework

Investing in human capital contributed to the transfer of some countries, which were considered developing until recently, to the ranks of the advanced industrial countries such as South Korea, it is a vivid example and a good example in this context. This movement in the path of progress, or this progressive shift, is characterized by its pillars, which are the increase in spending on education and health (Iman, 2021), and in line with the trend toward building an advanced knowledge economy (Economic Growth Theory, 2020). Also, the countries of South and East Asia (the Asian Tigers). whose development path was based on the importance of human capital development in driving development, which resulted in accelerating growth rates and in increasing the per capita national income, as recent studies indicate that one additional year of education achieves growth in GDP of 7% and this Explains the importance of investing in education in general and higher education in particular.

Human Capital

Human capital is a measure of the economic value of an employee's skill set. This measure is based on the basic production inputs to measure work as all employment is believed to be equal, the concept of human capital recognizes that not all workers are equal and that the quality of employees can be improved by investing in them; The education, experience, and capabilities of employees have economic value to employers and to the economy as a whole (Bakari,2019). human capital is like any other type of capital, it can be invested through education and training and enhance benefits that lead to an improvement in the quality and level of production, and it is often said that an organization is only good for its people, and it is the managers, employees, and leaders who make up human capital An organization is critical to its success, human capital is usually managed by the organization's human capital department (HCM), commonly referred to as human resource management, the HCM department oversees the organization's workforce acquisition, management, and improvement, other directives of the HCM department include force planning Operating and strategy, staffing, staff training and development, reporting and analysis. (Schultz, 2002) raised two important points in the field of investment in education:

a- Ignoring and neglecting the study of human capital.

b- The moral or psychological factor related to the treatment of education as an investment in the human being.

In Schultz's, 2002 opinion, the biggest mistake or shortcoming in the way capital was dealt with in economic analysis is the exclusion of human capital from this analysis. Some have believed that considering education as a means of creating and forming capital is one of the things that degrade the human being and harm his psyche. In Schultz's opinion, these researchers built their beliefs on the basis that the original purpose of education was the cultural, not the economic. Education in their view develops individuals into good and responsible citizens by giving them an opportunity to gain an understanding of the values they believe in (Schultz, 2002).

Education Economics

The concept of human capital appeared in the sixties AD and belongs to the economist Theodore Schultz, and it reflects the value of human capabilities. The quality of work and the level of production, raising the level of competition and then achieving the desired goals.

Economists have been interested in studying the economic value of education. (Mill, 2020) considered education as a tool that helps instill values and habits related to how to exploit economic resources in individuals and uses education as a positive change tool for workers towards work, production, and consumption. Stroman, (1998) attempt is considered one of the earliest in this field, as he studied the economic value of education.

Education was linked to national planning processes as a cause and result at the same time for development processes. Alfred Marshall, (1879)was the first to directly refer to education as a kind of investment, and paved the way for the transfer of the role of education from being an external factor in economic growth to considering it as one of the factors The directness that enters into the production process and has a direct impact on economic growth and that the most valuable type of capital is the latent capital in humans, and the use of different measurement methods and determining the degree of effects and comparing the role of education in comparison with the role played by other elements that enter into production as direct factors (such as capital, Quantity of work, workers), and stressed the need for economists to pay attention to the role of education in economic development .

the interest in the economics of education appeared clear since the sixties of the twentieth century in the writings of "Theodor Schultz", where the first systematic appearance of the theory of human capital was in the wake of the statement of the relationship between education and economic growth, as "Schultz" presented this theory in his book *The Economic Value of Education* in 1963. The basic idea of this theory is the assumption that education is necessary to improve productive capacity, and a number of scholars such as Denison, Baker, Harbison, Myers, George Biscarbules have contributed to promoting the idea of the economic value of education, as these and other specialists see in the field of education economics, and educated people are more productive. The more a country invests in education, the easier and easier it will be to break into this country for the desired economic development reasons.

The importance of the education sector and its relationship to the development of the national economy

The education sector is one of the vital sectors closely related to society and has a strong connection to advancing the national economy, as it contributes to transforming the economy from dependence on a single source of income to an economy that depends on highly skilled minds and creative and productive human energies by developing human capital and contributing to achieving the requirements of and market needs for work.

Adam Smith likened the educated world to a sophisticated machine that facilitates work and reduces effort and time and believes that states are morally responsible for ensuring the individual's right to education and that the presence of competition in educational institutions ensures high quality and efficiency provided. The scientist "David Hume" at the same time agreed with the scientist "Adam Smith" on the need for personal financing for education and to get rid of the monopoly of the churches for education. The scientist "John Stuart Mill" also agrees with the scientist "Adam Smith" that the labor force is the basis of wealth, but he disagrees with him in subordinating education completely to the private sector.

Economists believe that the best investment in capital is an investment in people and that human development has become a necessity of economic development, and then choosing to invest in human capital has become the best choice in the field of economic development.

The reality of the Kingdom of Saudi Arabia investing human capital

According to the global human capital index, the Kingdom topped the second category of the human capital index, which works to quantify the contribution of health and education to the level of productivity expected to be achieved by the next generation of labor.

According to the Kearney report, Riyadh ranked first among the cities of the Gulf Cooperation Council in the dimension of human capital, which highlights the size and diversity of its demographics and its ongoing efforts to attract international talent. Moreover, six Saudi cities earned a place in the list of the top 20 cities in the Middle East and North Africa region, namely Riyadh, Jeddah, Dammam, Abha, Makkah, and Madinah. The findings of the annual Global Cities Report for 2021, prepared by Kearney, reflect the Kingdom's focus on creating a more diversified and sustainable economy, in support of its Vision 2030.

Saudi Arabia paid attention to the dimension of human capital by launching the Human Capacity Development Program - focusing on enhancing the capabilities of its citizens to prosper nationally, regionally, and globally. This will be done through advancing education, preparing young people for the future labor market, and supporting innovation and entrepreneurship to seize emerging opportunities.

Vision 2030 in the Kingdom and the guidelines of the International Monetary Fund to invest in human capital in education.

Saudi Vision 2030 in the Kingdom of Saudi Arabia emphasizes the need to pay attention to education and support its progress, and based on this message, the vision came to provide educational opportunities for all in an appropriate educational environment in the light of the Kingdom's educational policy, raise the quality of its outputs, increase the effectiveness of scientific research, encourage creativity and innovation, and develop partnership community, and upgrading the skills and capabilities of education staff. Among the goals by 2030 is the implementation of the "Irtiqa" program, which aims to involve families in 80 percent of school activities in the education of their children in 2020, in addition to developing indicators to measure education outcomes and review them annually.

The International Monetary Fund (IMF) experts report (2017). In the context of the Article IV consultations that there is a need to continue a significant and continuous fiscal adjustment in line with the fiscal measures announced in the fiscal balance program; With the aim of improving the elements of expenditure adjustment and providing more space for spending on social safety nets or other aspects of spending to support structural reforms aimed at achieving balance in the state's general budget. The Fund considers that the ongoing reforms in the education and training systems are a very important step towards developing the skills of Saudi citizens and preparing them to work in the private sector.

Literature review

Eman (2021), study the impact of human capital on economic development in Arab countries. The study concluded that there was a waste of Arab human resources is due to, the low rates of spending on education in the Arab countries compared to other developing countries, also, the inadequacy of higher education outputs with the needs and requirements of the labor market in Arab countries. Finally, human capital differs from the labor component in the integration of skills, competencies, and education required by the development process.

Bakari (2019), Shed light on the role that investment in human capital plays in developing human competencies, it was found that human capital is the real wealth of Algeria, as it is rich in young human capital with high capabilities that enable it to keep pace with the wheel of growth and development with the required effectiveness and efficiency, this requires specialized personnel and high technology.

Ghanima's study (2018), introduced a new mechanism for planning Arab human capital investment to meet the challenges of the new millennium. the study included the theory of human capital, the relationship of human capital to sustainable development, and the proposed vision for investing Arab human capital as an entry point to achieve sustainable growth for Arab countries in the third millennium.

Al-Fadil and Abufanas (2017), they studied the impact of human investment on economic growth in Libya during the period (1980-2010). The study used both the outputs of higher education and spending on education, in representing economic growth. The study indicated an improvement in the level of human capital in Libya during the study period. and increase in human investment leads to an increase in economic growth.

Al-Minqash and Uneq (2017), built a proposed model for investing in specialized academic programs in higher education institutions in the Kingdom of Saudi Arabia. The study found that there are no specialized programs for the development and training of the human capital component. Saudi Arabia keeps pace with the requirements of the labor market when choosing its specialized academic programs, which work to pay attention to the element of human capital and work to develop and improve it through continuous training.

Belhanafi & Mokhtari study (2016), The study aimed to measure the impact of education on economic growth in Algeria during the period (1962-2012) and the study relied on the Ordinary Least Squares (OLS) method of measurement. In the representation of human capital, the study used a number of indicators such as the development of the number of students in the primary stage, the development of the number of students in the basic stage, the development of the number of students in the secondary stage, the development of the number of students at the university level, and spending on education in Algeria, while it used an average of Crude internal production as an indicator of economic growth. The results showed a positive and significant impact of the development of the number of students in the primary and basic levels on economic growth, as education in these stages reduces the rates of ignorance and illiteracy. The results also showed that the development of the number of students at the university level negatively affects growth. This is due to the high unemployment rates among university graduates.

Al-Shaafi & Al-Ghoussein's study (2015), The study aimed to measure the reciprocal relationship between investment in education and economic growth in Libya during the period (1970-2010). The study relied on some human capital indicators such as the number of university graduates, those enrolled in public education, those enrolled in universities, the external technological progress indicator, and investment spending on education. Using the Johansson Co-Integration Methodology, the study concluded that there is a positive relationship between economic growth and university education outcomes (public and private) on the one hand, and economic growth and the number of university students on the other. Also, there is an inverse relationship between spending on education and economic growth and indicated the weak exploitation of the capabilities of the human element due to the low rates of human investment in Libya. Despite the importance of these results, they cannot be passed and inferred, based on their implications, because they are based on a wrong measurement due to ignoring the degree of stability of the time series in use.

Previous studies and their relationship to the current study

The current study and all previous studies agreed on the importance of investing in education. The current study benefited from previous studies in enriching the theoretical aspect. But this study sheds light on the investment of human capital in education for excellence without borders, and it is compatible with the "Goals of the Kingdom's Vision 2030" that the vision seeks to achieve, by improving the financial efficiency of the education sector, opening the doors of human capital investment in education and encouraging innovation, creativity, and competition Encouraging human capital investment in the education sector.

Previous countries' experiences in investing in human capital in education

Investing in a child's early years is one of the smartest investments a country can make to break the cycle of poverty, tackle inequality, and boost productivity in the later stages of a child's life. Today, there are millions of children who are unable to reach their fullest potential due to undernutrition, lack of stimulation and early learning, and exposure to stress.

Human capital in the Gulf Cooperation Council GCC

Most GCC countries have made progress in the Human capital Index (HCI) in the last decade. However, the region's performance still lags behind, compared to countries with the same income level. As we shared in our presentation, a child born today in the GCC will attain only between 56% and 67% of his/her full health and learning potential and therefore potential productivity by age 18. To help improve this index, the GCC generally needs to focus on these pillars:

Prioritize public investment in early childhood development (ECD) and expand enrollment in early childhood education.

Focus learning on skills rather than credentials.

Promote female labor force participation and reduce skills mismatch.

Reduce risk factors of noncommunicable diseases (NCDs), especially among youth.

Develop all-of-government, whole-of-society actions that motivate behavioral changes and increase value for money in these investments.

The experience of the Saudi Basic Industries Corporation (SABIC), in interaction and cooperation with Saudi universities and research institutes

It focused on three things: developing human capital, applying the best technologies and programs, implementing an ambitious strategy for global growth, through agreements establishing research centers or sponsoring chairs and research projects or annual grants to support universities, with several programs, including: research support grants, conference attendance grants, Scientific chairs, SABIC award for the best graduation project in chemical engineering, building and equipping laboratories in universities and research centers, comprehensive agreements, advisory services, specific contracts. Thus, SABIC's support for Saudi universities in all its forms contributes to enriching their research and technical aspects in a way that meets the goals of industrial development and enhances economic movement. It contributes to achieving administrative development.

Methodology

The paper adopted the secondary method of data gathering technique on Investing human capital in education, these include journals, books, references, literature, previous experiences of some countries, and the report issued by some international institutions, such as the reports of the global capital index issued by the World Economic Forum, the World Bank report, the International Monetary Fund report, in addition to previous studies that dealt with human capital, including Al-Maliki's study, and a study Muhammad and Suleiman, The Human Capital Project Fund, the World Bank report for some countries studies such as Ghana, Egypt, Morocco, the Philippines, and Singapore. and economic theory depicts the role that human capital plays in economic growth.

The Neoclassical Growth Model

The neo-classical theory examines the importance of technological development in offsetting the negative effects of the diminishing marginal productivity of capital, without which both the rates of output growth and population growth would be equal, as the growth rate of per capita income would be zero. Solo's 1956 model is one of the most important models that analyzed the sources of growth. This model is based on expanding the Harrod-Domar model by introducing the labor component and adding a third independent variable, which is technical progress, to the economic growth equation.

Solow tested the hypothesis that capital accumulation is the main reason behind the increase in labor productivity and the increase in each worker's share of capital over time. The results reached by Solow showed that only 12.5% of the change in productivity in the long term is due to capital, while the rest of the productivity growth - more than 85% - which explains the growth in the long term is determined by the rate of growth of technological development.

According to the neoclassical model, growth is not the result of endogenous factors, nor does it last long. In the absence of technical development or external shocks, the economy will tend to have zero growth. The growth of output, according to the classical growth model, is a temporary growth that is caused by an increase in the quantity and quality of work, an increase in capital, and technological development.

Mankiw, Romer, and Weil (MRW, 1992) developed the Solo model (1956) by adding human capital as an internal variable like physical capital and labour. This model was based on the assumption that human capital is accumulated in the same technique as physical capital accumulation, whereby a fixed percentage of the output is invested annually in education, and in training the labor force.

The MRW model contributed to determining the effect of the rate of human capital accumulation on the individual labor output, which helps explain the differences between rich and poor countries.

The Endogenous Model of Growth

Cognitive Accumulation (Romer, 1986)

Romer presented the accumulation of knowledge as an internal variable. For Romer, knowledge is a public good and is part of the capital. Influenced by Arrow's work, Romer categorized capital into the stock of physical capital and the stock of knowledge generated by it. According to him, economic growth in any economy is linked in the long run to the ability of this economy to acquire knowledge and to accumulate knowledge. Accordingly, Romer believes that any economic policy aimed at affecting the economy's ability to acquire knowledge will have a favorable impact on the achieved growth rates.

Romer model 1990, Knowledge capital accumulation, research, and development.

Romer divided economics into three sectors: the research sector, which uses human capital and existing technology to produce modern knowledge, which includes modern designs for capital goods or intermediate goods. Intermediate goods sector: This sector purchases modern knowledge from the previous sector, using it to produce new capital or intermediate goods. The final goods and products sector produces final goods with a technology that links human capital, in-kind capital (intermediate goods), and labour.

Romer emphasized the importance of allocating human capital between research and innovation activities and between production activities, on the basis that the higher the proportion of human capital allocated to research and innovation activities, the more the economy would be able to achieve a high growth rate in the long run. According to Romer's model, the output is determined from within the model and depends on the level of technological development, which depends on the balance of human capital allocated to research and development activities. This is why Romer's model is one of the most important approaches to self-development.

Human Capital Accumulation (Lucas Model 1988)

Lucas stressed the importance of human capital in light of the insufficient accumulation of natural capital (Physical Investments) to achieve continuous growth. According to Lucas, investment in education and training leads to many gains on both the individual levels, as it leads to an increase in worker and overall productivity, as it works to push the rate of economic growth in the long term.

Lucas provided an explanation for the increase in the rate of growing inequality between developed and less developed countries. According to Lucas, the marginal productivity of capital increases with the increase in the ratio of human capital to in-kind capital, due to the savings (externalities), which result from working in the presence of more qualified people.

Composite Indicators (Metrics) for Human Capital

In the Arab Competitiveness Report, issued in 2003, the Arab Planning Institute presented a composite index of human capital, which consists of five sub-indicators: life expectancy at birth, the rate of adult illiteracy reduction, the net enrollment rate in secondary education, the net enrollment rate in university education, and the percentage of public spending on education.

This indicator was developed in the Arab Competitiveness Report for the year 2006, and it consists of eleven variables. Three variables related to health: life expectancy rate at birth, expenditure on health as a percentage of per capita income, and expenditure on health as a percentage of GDP, while the human capital balance index contains two variables: literacy and reading knowledge among adults (15 years and above)) and literacy among young people (15-24 years), while the human capital formation index contains six variables: the ratio of females to males in the primary and secondary levels of education, the total secondary enrollment rate for females, the total secondary enrollment rate for females, the secondary

enrollment rate Total, total university enrollment rate, and public spending on education as a percentage of GDP.

The Human Development Index of the United Nations Development Program (UNDP), which publishes annual reports on the level of human development in various countries of the world starting in 1990. This indicator is known as the Human Development Index (HDI), and this indicator includes three important dimensions:

Life expectancy at birth as an indicator of health.

The level of education, as indicated by the literacy rate of adults, in addition to the overall rate of enrollment in education.

The standard of living is indicated by the per capita GDP.

The World Bank launched the Human Capital Project in 2017, which is a tool that determines the extent to which health and education contribute to the productivity of the next generation of workers in a country. In addition to this, the Human Capital Indicator, which was developed by the World Bank on October 11, 2018, within the framework of the Human Capital Project, Human Capital Indicator measures the results of current policies for education and health on future outcomes. The index consists of five indicators that include Probability of Survival to Age 5, Expected Years of School, Harmonized Test Scores, Learning Adjusted Years of School, Fraction of Kids Under 5, not Stunned, and Adult Survival Rate. The HCI index is measured in units of productivity attributed to reference points related to the full achievement of education and health. The index takes values ranging from zero to one. Also, quantifies the contribution of health and education to the level of productivity expected to be achieved by the next generation of the workforce. Convert these losses into gains if these countries work to develop the human capital component.

Finally, there is the Global Human Capital Index (HCI), which is issued by the World Economic Forum, which was established in 1971. The World Economic Forum has issued a number of reports on measuring the ability of countries to develop and enhance human capital from 2013 until now.

The report on the Global Human Capital Index reveals the most successful global economies in the field of long-term economic employment of their workforce, by measuring the capabilities of 130 countries with regard to the extent of development and distribution of trained and capable workers. Both the World Bank's Human Capital Index and the World Economic Forum's Global Human Capital Index are distinguished from the Human Development Index (HDI) by their focus not only on measuring the balance of human capital or its detailed indicators, as does the Human Development Index, but on the extent to which this balance is utilized. The human capital index of the World Bank, for example, pays great attention to the impact of the balance of human capital on the productivity of the next generation, and it also allows the assessment of lost income due to human capital gaps. By measuring the ability of countries to employ, develop and distribute human capital, the importance of this trend increases, especially in the case of Arab countries, developing countries in general, which suffer from many manifestations of human capital waste, on top of which is unemployment among the educated and brain drain.

According to the report of the global human capital index, it covers only 12 Arab countries, as shown in Table (1), which shows the positions that Arab countries obtained according to the 2017 World Capital Index report. and looking at Table (1), the UAE ranked 45th in the world, topping the countries in the Middle East and North Africa region, while Bahrain ranked 47th. On the other hand, Saudi Arabia came and is considered the largest economy The region ranked 82, while Egypt, which is considered the largest in terms of population, ranked 97. Algeria, Tunisia, and Morocco came in the last ranks, with points 112, 115, 118, respectively, followed by Mauritania and Yemen, which ranked 129, 130 of the global ranking.

Table (1) Components of the Global Human Capital Index

Countries	Global ranking	Overall index	Capacity	Deployment	Development	Technical knowledge Know-How
UAE	45	65.48	91	69	19	32
Bahrain	47	64.98	30	45	77	53
Qatar	55	63.97	94	10	52	69
Saudi Arabia	82	58.52	60	124	71	58
Jordan	86	58.15	46	129	56	45
Kuwait	96	56.08	105	50	94	66
Egypt	97	55.99	80	126	86	50
Algeria	112	51.51	113	115	82	103
Tunisia	115	50.76	110	127	78	73
Morocco	118	49.47	106	121	99	108
Mauritania	129	41.19	116	125	128	126
Yemen	130	35.48	122	130	130	127
Average		56.00				

Results

1- The Human Capital Index Report 2017 indicates many weaknesses in human capital development efforts in Arab countries, including:

a. Human Capital Index Report 2017, the global average for human capital development is 62% of the total global human capital. The percentage of waste in human resources is about 38% of the global human capital.

B. The human capital development rate is on average about 56%, which is lower than the global average (62%), which means that about 44% of human capital in the Arab countries, which is a very high percentage, and the global average has exceeded the gap in human capital development Global (38%) is wasted untapped due to error in the allocation of skills within the labor force, in the development of future skills, and in the insufficient promotion of continuous learning of the workforce

2- The investment of human capital represents the best investment in order to build societies that enjoy economic prosperity.

3- Human capital has a role in increasing and improving the level of productivity and investing in it is essential for its development and the development of its knowledge and skills so that they can be exploited for the benefit of the organization.

4- The experiences of international countries confirmed that the investment policy in human capital falls to a large percentage on the government and the private sector.

5- International experiences have a positive role in setting the future strategy towards investing human capital in university education in the Kingdom of Saudi Arabia, and this is what the Kingdom of Saudi Arabia's strategy 2030 aims at.

6- The development indicators in the study indicated that the primary responsibility in the issue of investment planning rests with senior leaders, consultants, and planning experts in the state, which

enhances their full material and moral support and their commitment to pushing the wheel of development forward through the development of policy frameworks for education and administrative organization, and the follow-up and supervision mechanism, and setting up Appropriate control in each device.

7- Education is one of the main factors for achieving development in human capital for sustainable growth to reach Excellence Without Borders.

8- Growth in developed countries is greater and stronger than that of less developed countries.

9- That the in-kind capital tends, accordingly, to move from the less developed countries to the more advanced countries, which leads to an increase in the disparity between them. Thus, in contrast to the convergence idea, which was promoted by Solo, Lux stresses that growth, as well as the accumulation of in-kind capital, are more significant in developed countries than in less developed countries.

Recommendations

Working to reduce the percentage of waste in human resources through developing a plan based on:

Develop a plan based on encouraging student innovation, creativity, developing the skills to cope with future challenges that are heading towards technology and artificial intelligence as a type of human investment to obtain an education Excellence Without Borders.

Investing in human capital is essential for the development and the development of its knowledge and skills so that they can be exploited for the benefit of the organization.

Setting future strategy towards investing human capital in university education in the Kingdom of Saudi Arabia, to arrive at the Kingdom of Saudi Arabia's vision 2030.

support senior leaders, consultants, and planning experts to push the wheel of development forward through the development of policy frameworks for education and administrative organization and the follow-up and supervision mechanism, and setting up Appropriate control in each device.

Building bridges of cooperation between Saudi universities and internationally accredited training centers inside and outside the Kingdom to support innovation, creativity, and motivation for Excellence Without Borders.

Enhancing an attractive investment environment for human capital in education by providing opportunities for all workers in the education sector to join training centers to raise their efficiency.

References

- Al-Babtain, A. (2019). Diversifying the sources of the education financing system in the Kingdom of Saudi Arabia to keep pace with the aspirations of Vision 2030 in the light of the American experience. *The Specialized International Educational Journal*, Vol. (8), No. (2), pp. 56-69.
- Al-Fadil, H. & Abu Fanas, A.. (2017). "Measuring the Impact of Human Investment on Economic Growth in Libya During the Period (1980-2010)", *Journal of Economics and Business Studies*, Volume (5), special issue.
- Al-Ghamdi, H. (2019) A proposed vision to improve the competitiveness of emerging Saudi universities according to the requirements of privatizing higher education, *Specialized International Educational Journal*, Volume (8), Issue (11), pp. 84-97.
- Al-Ghoussein, N & Al Shaafi, H.. (2015). "The Impact of human capital Investment in Education on Economic Growth in Libya (An Analytical Standard Study)", *The Arab Journal for Quality Assurance of University Education*, Volume VIII, Issue (22).
- Ali, S.. (2015) Higher education in Egypt has a long history and a threatening present. *Thatat Journal*, Believers Without Borders Foundation for Studies and Research, p. (12), pp. 13-15
- Al-Maliki, M. & Suleiman, Obaid Ahmed (2003). *The Economic Return of Investment in University Education in the Kingdom of Saudi Arabia*, *Journal. Studies of the Gulf and the Arabian Peninsula*, Issue 114, pp. 176-143.
- Al-Maliki, M. (2004). *Education and economic growth in the Kingdom of Saudi Arabia*. *Journal of Gulf and Arabian Peninsula Studies*.
- Al-Minqash, S, & Aniq, A. (2017) A proposed model for investing in academic programs in Saudi universities through partnership with the private sector, *Journal of the College of Education, Al-Azhar University*, No. (4), p. 71. Ibrahim,
- Al-Quraan, S. (2013). *The Impact of Using Modern Education Techniques on Human Resources Development in order to Reach a Knowledge Economy in Jordan*. Unpublished Master's Thesis, College of Economics, Finance and Business, Mutah University, Amman.

- Al-Rubaian, M. (2015). Financing higher education in the Kingdom of Saudi Arabia. The Ministry of Higher Education in the Kingdom of Saudi Arabia.
- Al-Shara', K. & Al-Janabi, O. (2018) The Impact of Investment in Education on Economic Growth in Iraq, *Journal of Administration and Economy*, Volume (7), Number (25), pp. 286-301.
- Amer, M. (2006). A proposed conception of financing university education in the Arab countries in the light of contemporary trends. *International Forum of the Faculty of Economics and Facilitation, University of Biskra, Algeria*, pp. 1-20
- Araba, R. & Awali, H. (2010). The Fifth International Forum on Intellectual Capital in Arab Business Organizations in the Light of Modern Economies, Algeria, Hassiba Benbou Ali University, pp. 88-81
- Australian Government, (2008), Australian Education International Export Incomes from Education Services in 2007-2008. *Research Snapshot*, No. 42.
- Bakari, M. (2019) Capital investment as a strategic option for developing competencies in Algeria, *Organization and Labor Journal*, Volume (8), No. (2), pp. 28-46.
- Barbara S., *The returns to education: A Review of the macroeconomic literature*, centre for the economics of education, London, 2000.
- Economic Themes. "Technological Changes in Economic Growth Theory: Neoclassical, Endogenous, and Evolutionary-Institutional Approach," Pages 177-178. Downloaded from "Technological Changes in Economic Growth Theory: Neoclassical, Endogenous, and Evolutionary-Institutional Approach." Accessed Sept. 10, 2020.
- Education and Saudi Vision 2030, Ministry of Education. (2017)
- Ghanima, M. (2019), Planning Arab Human Capital and the Challenges of the Third Millennium. <https://www.ssts.com/Article.20/3/2019>.
- Gomaa, H. (2020), Requirements of Investing the Human Capital as an Input for Achieving Institutional Excellence. *The Faculty of Education Journal*, Vol. (8), No. (2), pp. 1-79. https://edusohag.journals.ekb.eg/article_46549_9e0e1b851dc491450ef12fbd4cfe09bc.pdf.
- Goodman, R. (2011). Japan's experience in higher education. *Afaq Al-Mustaqbal magazine*, issue (9), pp. 70-75. <http://links.jstor.org/sici?sici=0022-3808%28199010%2998%3A5%3CS71%3AETC%3E2.0.CO%3B2-8>
<https://www.moe.gov.sa/ar/aboutus/aboutministry/Pages/visionmissiongoals.aspx>
<https://www.moe.gov.sa/ar/Pages/vision2030.aspx>.
- Ibrahim, I. (2016). "Economic Development and Planning", Tanta University, Faculty of Commerce.
- Ibrahim, I. (2021) The Role of Human Capital in Achieving Economic Growth, *Journal of the College of Economics and Political Science*, Vol. (22), No. (1), pp. 33-62.
- Iman M. (2021) The Role of Human Capital in Achieving Economic Growth, *Journal of the College of Economics and Political Science*, Vol. (22), No. (1), pp. 33-62.
- IMF report (2017). <https://www.imf.org/external/pubs/ft/en/2017/eng/pdfs/IMF-AR17-Arabic.pdf>
- Lucas, R. (1988). On the mechanics of economic development. *Journal of Monetary economics*, 22 (1), pp. 3-42.
- Mankiw, N., Romer, D. & Weil, D. (1992). A contribution to the empirics of economic growth. *Quarterly Journal of Economics*, 107 (2), pp. 407-437
- Marshall A, Paley Marshall M., *The Economics of Industry*, 1879 London Macmillan, <https://www.jstor.org/stable/2956696>
- Mill, John Stuart. *The Principles of Political Economy (Books I-II). The Collected Works of John Stuart Mill*, Volume II, Ed. J. M. Robson, Introduction by V.W. Bladen. London and New York: Routledge and Kegan Paul, 1965. Available at <https://oll.libertyfund.org/titles/102> (accessed 24 July 2020).
- Morning, W. (2008) Investing in Education and Its Theories. *Journal of the College of Literature, Humanities and Social Sciences*. Volume (2), Number (3), pp. 3-38.
- National Bureau of Economic Research. "Trevor Swan and the Neoclassical Growth Model," Abstract & Pages 1 & 11. Accessed Sept. 10, 2020.
- Neycheva, A., (2018), MRW model of growth: foundation, developments, and empirical evidence, *Bulgarian of Business Research*, [www. Researchgate.net/publication/324138725](http://www.researchgate.net/publication/324138725).
- Omari, M. (2016). Education's contribution to economic growth: a case study of Algeria during the period (1980-2013), memorandum within the requirements for obtaining a master's degree, University M'hamed Bougherra Boumerdes, Faculty of Economic, Commercial and Facilitation Sciences, Algeria.
- Romer, M. (1986). Increasing returns and long run growth. *Journal of Political Economy*, 94, (5), pp. 1002-1037
- Romer, M. (1990). *The Journal of Political Economy*, Vol. 98, No. 5, Part 2: The Problem of Development: A Conference of the Institute for the Study of Free Enterprise Systems. (Oct. 1990), pp. S71-S102.
- Salman, Hazza Daoud. (2017). Investment in higher education and its relationship and impact on the labor market, applied research in Iraqi private colleges, *Al-Dinanier Journal*, - Iraqi University, issue (10), pp. 114-134.
- Saudi Ministry of Education Strategy,

- Savava, B. (2009), A New Dynamic: Private Higher Education (Paris: UNESCO World Conference on Higher Education).
- Schultz, T. (2002). Education investments and returns", In: Hollis Chenery (ed.), Handbook of development economics, Elsevier, Netherlands, p 608.
- Shereen, H. (2102). Higher Education, Investing Minds between Reality and Hope, Islamic Awareness Magazine - Kuwait, Issue (14), p. 558.
- Singapore: rapid improvement followed by strong performance,
<http://www.oecd.org/countries/singapore/46581101.pdf>.
- Solow, R. (1956). A contribution to the theory of economic growth. Quarterly Journal of Economics, 70 (1), pp. 65-94.
- Stephen C. Claes (2015). Justice and Equal Opportunities in Education: The Case of UNICEF and the Need for a Joint Dialogue, Futures, International Education Office, Geneva, p. 51.
- Stroman, D. (1998) Mental Retardation in Social Context . Lanham, Maryland: University Press of America.
- Taiba, F. (2016 AD). Return on Investment in Education Jordan, Journal of Economic, Facilitation and Commercial Sciences, Volume, (12), Issue (7), pp. 70-81.
- The World Bank & OECD (2015). Reviews of National Policies for Education, Higher Education in Egypt.
- The World Bank. (2007). "The Middle East and North Africa Development Report, The Untreaded Road: Education Reform in the Middle East and North Africa," International Bank for Reconstruction and Development.
<http://alqabas.com/393931/>
<http://singfinland.blogspot.com/>
<http://www.ksu.edu.sa/sites/ksuarabic>
<http://www.uobabylon.edu.iq/uobColeges/lecture.aspx?fid=10&depid=1&lcid=88963>
http://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf
<https://almerja.com/reading.php?idm=124032>
<https://ar.unesco.org/gem-report/node/1464>
<https://blogs.worldbank.org/ar/voices/five-lessons-successfully-investing-people>
<https://blogs.worldbank.org/arabvoices/what-comes-next-promoting-human-capital-gcc>
<https://data.albankaldawli.org/indicator/SE.XPD.TOTL.GD.ZS>
<https://documents1.worldbank.org/curated/en/408841611203490658/pdf/Human-Capital-Project-Year-2-Progress-Report.pdf>
<https://documents1.worldbank.org/curated/en/408841611203490658/pdf/Human-Capital-Project-Year-2-Progress-Report.pdf>
<https://hrdiscussion.com/hr2598.html>
<https://news.ksu.edu.sa/ar/node/108022>
<https://theolsgroup.com/5-benefits-investing-human-capital/#:~:text=Human%20capital%20is%20the%20measure,of%20a%20company's%20operating%20expenses.&text=To%20reap%20the%20most%20benefits,to%20invest%20actively%20in%20them.>
<https://vision2030.gov.sa/ar/themes/2>
<https://www.alarabiya.net/pdfServlet/pdf/d19e631a-0476-4232-93d5-ef6bf3a189c8>
<https://www.imf.org/ar/News/Articles/2019/05/15/mcs051519-saudi-arabia-staff-concluding-statement-of-the-2019-article-iv-mission>
<https://www.moe.gov.sa/ar/docs/Doc1/%D8%A7%D9%84%D8%AC%D8%A7%D9%85%D8%B9%D8%A7%D8%AA%20%D8%A7%D9%84%D8%B3%D8%B9%D9%88%D8%AF%D9%8A%D8%A9%20%D8%B9%D9%84%D9%89%20%D8%A7%D9%84%D8%AE%D8%A7%D8%B1%D8%B7%D8%A9%202014%20-%20%D9%86%D8%AA.pdf>
https://www.my.gov.sa/wps/portal/snp/aboutksa/governmentBudget!/ut/p/z0/04_Sj9CPykyssy0xPLMnMz0vMAfljo8zifT2dPQ38TQz9DUzDjA0CHV39TEy8XIwMzA30gxOL9AuyHRUBz6RxAQ!!/
<https://www.worldbank.org/en/publication/human-capital>
<https://www.worldbank.org/en/publication/human-capital/brief/human-capital-project-case-studies-series>
www.imf.org/~media/Files/Publications/CR/2017/Arabic/cr17316a.ashx