

The Integration of Human Capital Into Romania's Strategic Documents: Implications for Regional Science

In an increasingly knowledge-based society, human capital plays a crucial role in driving economic and social progress. Human capital is the set of intangible assets - such as education, skills, competencies and health - held by individuals, which when used individually or collectively, contribute to increasing productivity at the individual, organizational or national level. Unlike tangible capital, human capital cannot be directly transferred or sold, but knowledge and skills can be disseminated and multiplied through learning and collaborative processes (Boarini et al., 2012).

In recent decades, the study of human capital has evolved significantly, becoming a central pillar in areas such as labor economics, economics of education, human resource management, economic development and sustainability (Blair, 2011). According to Teece (2011), human capital constitutes "*the most valuable asset class in the economy*", emphasizing its strategic importance in global dynamics.

Beyond empirical evidence, human capital plays a crucial role in decision-making. In Romania, the post-communist period has marked a significant transition from a centralized regime (Sucala, 2018) to a more decentralized (Dincă & Mihaiu, 2019) and transparent society (Romanian Government, 2001). This change was not only about the orientation towards a knowledge economy, but also a paradigm shift, where the individual is no longer perceived strictly as a factor of production, but as a strategic resource for development. However, the decision-making process in Romania continues to be fragmented, lacking a unitary and coherent vision of the priorities and real needs of the territory. The education system, in particular, has been affected after 1990 by a series of scattered decisions - frequent changes in legislation, changes in school programs and curricula - coupled with the instability of decision-makers. These dysfunctions have led to adjustment difficulties for both students and teachers, contributing to the poor results repeatedly highlighted by national assessments (Buza & Istrate, 2022) and PISA tests (OECD, 2019).

Given that, the aim of this paper is to analyze how the concept of human capital and related terms are being perceived in the strategic documents adopted in Romania in the fields of education, public administration, social and environment. Through this approach, the study

seeks to highlight the coherence and consistency of the use of human capital, while providing a clear perspective on how this concept is instrumentalized in public policies in Romania.

A number of 15 strategies adopted in Romania in the fields of education, public administration, social and environment, divided into two distinct periods: pre-2020 and post-2020 will be analyzed. This temporal division is based on the Multiannual Financial Framework (MFF), reflecting both the economic and political context of the previous years and the adaptations imposed by recent events, in particular the global pandemic. The pre-2020 period is characterized by policies geared towards sustainable development, upgrading infrastructure and strengthening the institutional framework, while the post-2020 period highlights a shifting paradigm, with a focus on resilience, adaptability and rapid recovery of structures affected by the pandemic crisis. The comparative analysis of the two periods will provide an overview of how public strategies have evolved, highlighting changes in institutional priorities and in the allocation of resources to maximize the potential of human capital.

The methodology applied for this research combines quantitative and qualitative approaches, through MAXQDA software, which facilitates a detailed analysis of textual data from policy documents in this case. In particular, the MAX Dictio module will be used to perform a frequency (occurrence) analysis, with a special focus on the term *human capital* and its related concepts (education, performance, human resources, social capital etc). Furthermore, a coding system will be applied to identify and classify the occurrences of these terms within the 15 strategies, thus aiming to establish the links and interferences between human capital and other relevant concepts in its domain and beyond.

The preliminary results of the analysis of the 15 strategies indicate significant differences between the two periods, both in terms of the frequency of the term ***human capital*** and in the context in which it is used. In the previous period, the term ***human capital*** appeared frequently in the context of the phrase "*POCU - Human Capital Operational Program*", having a predominantly administrative use. However, in the strategies developed after 2020, the term takes on a broader meaning, being used in the sense of an essential factor for economic and social development.

In this regard, the study intends to provide a basis for understanding how human capital is perceived in national policies and how national policies can be adjusted to support balanced and sustainable development of all regions.

Key words: human capital, Romania, regional science, strategic documents, national policies

Bibliography:

- Blair, M. M. (2011). An Economic Perspective on the Notion of 'Human Capital'. In A. Burton-Jones & J. -C. Spender (Éds.), *The Oxford Handbook of Human Capital* (p. 49-70). Oxford University Press. DOI: 10.1093/oxfordhb/9780199532162.003.0002
- Boarini, R., Mira d'Ercole, M., & Liu, G. (2012). *Approaches to Measuring the Stock of Human Capital: A Review of Country Practices* (OECD Statistics Working Papers No. 2012/04; OECD Statistics Working Papers, Vol. 2012/04). DOI: 10.1787/5k8zlm5bc3ns-en
- Buza, V., & Istrate, M. (2022). Equality and quality in education. A multidimensional analysis of the results of 2021 assessment examination in the North-East region, Romania. *Proceedings 2022*, 289-301. DOI: 10.18509/GBP22289b
- Dincă, D. V., & Mihaie, M. (2019). *20 de ani de reforma a administratiei publice in Romania*. Editura Economică. Available at: https://www.academia.edu/40995178/20_de_anii_de_reforma_a_administratiei_publice_in_Romania
- Romanian Government. (2001). *STRATEGIE 04/10/2001—Portal Legislativ*. Portal Legislativ. <https://legislatie.just.ro/Public/DetaliiDocumentAfis/59131>
- OECD. (2019). *Students per teaching staff—Early childhood education / Primary / Secondary, Ratio, 2019 or latest available*. Students per teaching staff. Available at: <https://data.oecd.org/teachers/students-per-teaching-staff.htm>
- Sucala, V. I. (2018). *Inside the Romanian communist economy: State planning, factory and manager* [PhD, University of Glasgow]. Available at: <https://eleanor.lib.gla.ac.uk/record=b3315889>
- Teece, D. J. (2011). Human Capital, Capabilities, and the Firm: Literati, Numerati, and Entrepreneurs in the Twenty-First-Century Enterprise. In A. Burton-Jones & J. -C. Spender (Eds.), *The Oxford Handbook of Human Capital* (p. 527-562). Oxford University Press. DOI: 10.1093/oxfordhb/9780199532162.003.0022