

What is human capital? What is social capital?

Human capital is the stock of knowledge and skills embodied in people. Social capital is the access that people have to groups and organisations whose members are likely to cooperate because of commonly held goals, attitudes or values. The acquisition of human and social capital constitutes an investment in that costs are incurred now in the expectation that they will be recouped in the future. Costs may be direct (out-of-pocket) or indirect (opportunities foregone). Expected benefits take the form of increased productivity. Education, training, job search, health care and migration are examples of activities that can increase human capital. Examples of organisations that facilitate access to social capital are the CWA, Rotary, church organisations, clubs, as well as less formal relationships among people that provide support and mentoring.