

Glossary entry: human capital

Published: January 13, 2026, 12:45 pm

As part of my work on [capital](#), which in turn contributes to my thinking on the politics of care, and how it must be defined, I have posted this new glossary entry on human capital, which is an addition to the entries already made on capital and [capital maintenance concepts](#).

Human capital is the embodied capacity of people to participate productively, creatively and socially in economic life.

It includes:

- * physical and mental health,
- * knowledge,
- * skills,
- * experience,
- * emotional resilience,
- * creativity, and
- * the ability to care for oneself and others.

Human capital is not an abstraction: it resides in bodies, minds and relationships.

Human capital is not self-renewing. It must be continuously maintained through:

- * healthcare,
- * education,
- * nutrition,

- * housing security,
- * rest,
- * meaningful work, and
- * social inclusion.

Human capital is consumed by:

- * ill health,
- * stress,
- * burnout,
- * insecurity and
- * exclusion.

This is the case even when these phenomena occur alongside rising output or profits.

Orthodox economics often treats labour as a variable input and wages as a cost. This obscures the reality that income only exists after the costs of maintaining human capability have been met. Where wages, working conditions or public services are insufficient to sustain human capital, apparent profits represent extraction from people rather than economic surplus.

The degradation of human capital has predictable macroeconomic consequences:

- * falling productivity,
- * rising healthcare costs,
- * social alienation, and
- * political instability.

These are not side effects; they are indicators of systemic economic failure.

Related posts:

- * Capital
- * Capital maintenance concepts
- * Financial capital

- * Physical capital
 - * Human capital
 - * Social capital
 - * Sustainable cost accounting
 - * Income
-

Comments

When commenting, please take note of this blog's comment policy, [which is available here](#). ***Contravening this policy will result in comments being deleted before or after initial publication at the editor's sole discretion and without explanation being required or offered.***