Value of people – human capital in Serbia with a special focus on educational attainment

Human capital is an important determinant of overall socio-economic development. In addition to economic parameters, human capital is significantly influenced by the level of formal and informal education attained. Previous research in this area has focused on formal education and the skills acquired in relation to better positioning in the labour market. Accordingly, the main objective of the conducted research is to determine the state and level of development of human capital in Serbia. This analysis is based on the set of indicators that represent the achieved level of education and then its utilization, measured by the index of human capital utilization. It is carried out for the territory of Serbia at the municipal level (168) with official statistical data (2022). In order to look at the demographic development through the prism of human capital, it was necessary to apply a multidimensional approach, referring in particular to the qualitative characteristics of the population. The results enabled the categorization of municipalities according to their human capital potential. In addition, the research results also provided an insight into the utilization of existing human capital, which sheds light on the mismatch between the education attainment and the labour market demand. It is obvious that most municipalities in Serbia are characterized by an insufficient educational attainment in general or in the local context. The research shows that it is crucial to change the general perception of demographic problems and challenges, not predominantly in relation to population size, but more in advancement of education and skills capacities. This will allow the development of applicable and more realistic public policies.

**Keywords**: human capital, education attainment, labour market, index of human capital utilization, Serbia.