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Essay Mock December - 2024

Topic : An Investment in Knowledge Pays the Best Interest

A. Introduction

- a) The concept of human capital given by James K. Robinson in his book "Why Nations Fail"
- b) Outcomes of investing in Knowledge
- c) Thesis statement

B. The Importance of Human Capital Development and Investment in Knowledge

- a) In 1960's, Theodore Schultz and Gary Becker gave the concept of human development.
- b) Case study of South Korea and Japan
- c) The US-based technological entrepreneurs like Bill Gates and Elon Musk.

C. How Investment in Knowledge Pays the Best Interest?

1) Investing in Knowledge result in sustainable economic progress;

- a) Four parameters of welfare given by Arthur Cecil, the father of welfare Economics, in his book "The Economic Welfare"
- b) "Paradox of Prosperity" by Clinton

2) Boosting IT-Sector innovation will uplift the economy;

- a) In Oxford Online Labour Index, Palestine

stands out as the 3rd largest online labour force.

b) Examples of China, US, and India

3. Digital Marketing and economic development ;

a) Growth in small businesses, especially for women at home

b) Online skilled labour force work as entrepreneurs, digital podcasters, teachers, and freelancers

4. Research development and qualified education system ;

a) More investment in research will provide opportunities for youngsters, resulting in less brain drain.

b) More qualified teachers will inculcate skills development in students ; helping them to compete globally.

5. The Ethical importance of investing in knowledge ;

a) Brings tolerance, morality, civil sense, and discipline in society

b) Maintains social order and rule of law, drives peaceful progress of society

c) Case study of Japan

6. Less Gender-based discrimination ;

a) Women leadership roles and

Women inclusion in labor force.

b) Empowerment of women and decrease in gender-based violence in patriarchal societies.

c) Case study of Finland

7. Promote Culture and soft power;

a) Countries will promote their soft power which is more crucial for maintaining foreign relations.

b) And Amelioration of national prestige through culture, movies, music, fashion etc.

c) US, India, South Korea as an example.

8. Smooth governance and political stability in a country;

a) Fosters Public trust in government, enabling transparent and effective policy making

b) Examples: Finland, Singapore, and Norway

c) Great Political leaders will emerge.

9. The role of Knowledge and Scientific revolution in resolving international issues;

a) To combat climate change through international collaboration.

b) Case in point: Sweden's alchemy

10. Advancement in AI and Cyber Space;

a) U.S., China, and India are competing in this space

b) ^{Emergence of} A new wave of technology — The Nexus by Hauai

D. Third-world Countries will Be Left Behind in the Technological Race if They Make No Investment in Knowledge and Skill Development

a) Creation of 'Silicon Curtain' between the developed and the developing world; the concept given by Hauai in his book 'Nexus'

b) Advice given to Pakistan by World Bank and Harvard Advisory Group to invest in people; instead of investing in machinery.

c) South Korea invested in education, industrialisation and exports.

E. How can the Developing Countries Invest in Knowledge for Better Outcomes?

a) Developing human capital.

b) Focusing on Education and skills development.

c) Enhancing government incentives to information technology and youth

d) Collaborating worldwide and also having a strong network of

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researchers, scholars, educational institutions, and private companies.

e) Providing better opportunities for teachers.

F. Conclusion

- Essay -

This is the world of knowledge economy. Knowledge in terms of education is given an immense importance and emphasized since Aristotle's and Plato's times period. Today, those countries who invest in knowledge i.e., education and skills development, are leading the world. These countries are one of the powerful nations of the world. This similar concept was given by James K. Robinson in his prestigious book "Why Nations Fail." In this book, he emphasized on the notion that countries which provided inclusive state institution to their citizens i.e., build the human capital; drives towards sustainable progress. In contrast, those countries who have extractive state institutions i.e., they have the mechanism of resource concentration. These countries face the downfall in every aspect of development. However, the countries who invest in human capital development, especially in knowledge, education, and skills development, they get the best interest. Such nations

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have better economic conditions. For instance, they have boost in IT-sector, digital marketing, and technological innovations. Also, they have better social outcomes. Such societies have peaceful and social order, rule of law, and ethical development. Moreover, there is less gender-based discrimination, better economic and leadership opportunities for women. Furthermore, they have better international prestige which helps them to dispense their soft power image as well, including others. Conversely, such countries who do not invest in knowledge will be left behind in this world of technological and scientific innovations, where most important is skill development of their people. These countries will require careful considerations which will pave the way for sustainable progress. To sum up the essay explains that investing in knowledge pays the best interest in uplifting economies, maintaining social order, lessening gender-based discrimination, improving governance and international prestige. However, countries, not investing in knowledge, will face backwardness, requiring careful considerations.

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First of all, many intellectuals believe that there is ^{an} immense importance and significance of investing in knowledge and human capital. As, Benjamin Franklin claimed, "An investment in knowledge pays the best interest". Similarly, it was declared in Kibō's by the pioneers of human development, i.e., Theodore Schultz and Gary Becker, that in countries who work for the individual's progress will provide them long-term benefits. Not only this, today, the world prosperous economies, like Japan and South Korea are leading the world. Japan has faced two atomic explosions. However, still it worked for human capital development. Japan invested in knowledge, technological research, economic models, despite having small population. Later, became the second largest economies, surpassing Britain, U.S., and France. Similarly, the U.S. entrepreneurs and tech-developers like Bill Gates and Elon Musk, with the former known for Microsoft and ^{the} latter for Tesla company. These people were given opportunities and skills by their state. and now U.S. is an economic giant of the world. Thus, there is huge significance of investing in knowledge economy which makes the countries powerful at every levels.

Now, there are multiple factors which are evident that how investment in knowledge pays the best interest. First of all, if a country inculcates better education at an early age, ^{in students} nurtures its citizens with skill development as per the need of today's advanced technological world. That country will thrive in every field. But, the most important one is an economic progress of a nation. An Educated individual will participate in research, work force, scientific and technological development, and digital marketing. Ultimately, it will benefit the state. For instance, Arthur Cecil, the father of welfare Economics, in his book "The Economic Welfare", has stressed upon four basic parameters of welfare. These include: providing basic amenities to the people, ensuring social protection of the citizens, better economic opportunities irrespective of gender and class, and even dignity, common values and equality. Similarly, in "Paradox of Prosperity", President Clinton, claims that traditional methods of prosperity do not work rather a focus on welfare of the people and stress on science and technology paves the way for success. \Rightarrow conclude, investing in knowledge and human capital ultimately thrives the country.

The second most important factor is

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boosting IT-sector for better sustainable economic and technological development.

On the context of Investment in Knowledge.

The most educated youth will take part in scientific and technological labor force.

The more innovations will happen in a country. Upgrading skills in students of computer science and online working needs, will increase the ~~pr~~ produce better IT-experts, web-developers, entrepreneurs, and freelancers. For instance, Pakistan, according to Oxford online labour force index, stands out as the third largest online labour force. In 2022, digital freelancers brought in \$500 million in the country.

Similarly, countries like U.S. & China, and India, are moving in very fast pace in the race of technological and IT-sector revolution. Companies like Apple, Google and Samsung, are leading the world.

Hence, investing in knowledge boosts the IT-sector and makes a prosperous economy.

Thirdly, digital marketing is another important factor which is common nowadays. Accelerating digitalised world has provided a platform for everyone to earn their basic livelihood very easily. Most teachers, and housewives, who are not allowed to work physically, have started their small businesses at home. All this was^{is}

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made possible because of the knowledge they got about how to work online and run their own business. Today, many online working brands, especially run by women, are thriving. For instance, Manu. B, organic travellers, Nirvana botanics etc. are one of the fine examples. Teachers and digital Podcasters can share their knowledge and provide quality information through Youtube channels and earn in million of rupees in dollars. Channels like Dear Sir, Ki English with Rani etc. are one of the examples. To sum, digital economic progress has shaped a new way of progress in terms of ^{imparting} knowledge and skills.

Furthermore, investment in Research development through imparting valuable knowledge is also very crucial for sustainable development. Brain drain is a very recent dangerous phenomenon which has impacted the growth of third-world and middle-income countries, especially countries like Pakistan and Afghanistan. If the state invest in the youth, provide them better education opportunities, incentives in getting employment with better salary conditions, will not only help in the country's progress, but also improve the research process in universities.

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and reduce the existential threat of brain drain. ^{Educated} People moving abroad, will put a country's progress at stake because an illiterate and unskilled work force is not of any benefit, but a liability on the state. Moreover, qualified teachers and Ph.D doctors, if given better economic facilities will not only drives the innovations in research and scientific developments, but also impart better quality education to their students. This will provide long-term sustainable opportunities for a country. Universities like Harvard, Stanford etc. are already running their separate research centre in collaboration with industrial sector which helps their state towards prosperity. To sum, scientific and research development also paves the way for success.

Moreover, Investing in knowledge is significant for social progress as well. It maintains the social order and rule of law in a society. It provides peaceful coexistence for everyone. It promotes ethnic diversity and national integration. The more educated people in a society is, the more tolerance, discipline, and civic sense in individuals will be having, like that of Japan.

sense among individuals and provide
such base, these

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Japan is considered one of the most diversified in culture and disciplined nation. They imparts values and moral principles in the very small in their children. In schools, initially, the students are taught ethical and moral principles. That is why, to day, Japan is one of the most peaceful and progressive nation of the world. Hence, investing in knowledge can paves the way for peaceful society, with least sectarian and ethnic conflicts.

Moreover, countries who invest in knowledge in individuals, ultimately have low gender-based discrimination. They provides incentives for women in job market. They produces women leaders who contributes in nation's development. As Napoleon once said, "Give me an educated mother, I shall promise you the birth of a civilized nation." Similarly, an educated women faces lesser gender-based violence because education and knowledge informed her about her rights and importance in a society. She is empowered to be independent and contribute in economic development of her country. For instance, Finland has one of the most less gender-gap across the world. It has provide an immense opportunities for women, driving it

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In every field of life.

Count Furthermore, most countries who invest in knowledge, helps them to promote their soft power and build national prestige. They ameliorate their national image through showcasing their culture, movies, music, and fashion etc. countries like South Korea, U.S. and India promote their soft power through their movies and music. That is why these countries have good relations with other countries and many people across the world admire them. People are well-informed about their culture which drives their tourism sector. Hence, knowledge in terms of soft power development is also an importance factor for in communication building of today's globalised world.

In addition to, investing in knowledge improves the governance and political stability of a country. It helps foster public trust in the government, enabling transparent and effective policy making. For example, countries like Finland, Singapore, and Norway, have better governance structure and policy making. It creates civic sense among individuals and political consciousness. In such case, these

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Individuals select their political leaders which represent their state as a prime minister or a president. Hence, investing in knowledge ~~par~~ thrives governance and political structure of a country.

Similarly, imparting knowledge is very importance in terms of scientific ~~and~~ revolution which ultimately helps reduce global conflicts through scientific collaboration. Today, the world has grappled with climate crisis and countries like Sweden are using their wastes into an energy which ~~which~~ are less combustible and more clean. Sweden, today, not only fulfills its own energy needs, but also helping other states like Britain and Germany etc. to transform their waste into energy production through the clean-energy methods. Hence, international collaborating and importance of knowledge sharing are crucial ^{to} ~~for~~ ^{resolve} international crisis.

Moreover, most countries are accelerating their economies through technological revolutions in Artificial intelligence and cyber space. Companies like Tesla by Elon Musk and his chip development any space

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industry are paving the way for its success. Most countries like India, China, and the U.S. are in competition in technological innovations. However, Harari in his book 'Nexus' claims that countries will fight in future over technology, not on traditional economic power. There will be a war on technology, especially in the world of accelerating Artificial intelligence. Hence, investing in knowledge will pave the way for cyber and tech-revolution.

The moving to next idea, even those countries who will not invest in knowledge and skill development of their individuals, which will be giving a drawback in the forms of backwardness.

They will be left behind in the race of technological production. In the world of knowledge economy, there will form a 'silicon curtain' between the developed and the developing world.

This concept is given by Harari in his book 'Nexus'. Those who will not understand how to cope with technologies, and how to use and produce innovations, will be left behind and those who ~~want~~^{will} know the knowledge of technologies, will thrive in the world. However, in case of developing countries like Pakistan, during its independence,

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the world Bank and Harvard advisory group advised Pakistan to invest in people & not in the machinery. But, Pakistan focused on industrial and agricultural development, and now it is facing backwardness. In contrast, countries like South Korea has invested in education, industrialisation and exports, and now it is one of the best economies of the world. Hence, investment in knowledge, if not fulfilled, will be a major reason for any country's backwardness.

Now, the question here is how the middle-income countries can invest in knowledge for better outcomes? The answer is very clear that those countries should work for human capital development. They must focus on ^{quality} education and skills developments.

They should enhance the government incentives to information technology and youth. For better outcomes, they must collaborate worldwide, and also, have a network of researchers, scholars, educational institutions, and private-public partnership. They lastly, they should provide best incentives for teachers for long-term development. Thus, such careful considerations should be implemented for better outcomes.

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In a nutshell, the essay has explained the importance of knowledge and its ~~p~~ the best interest which countries get from it. The outcomes results in better economic conditions, social development, governance and political development, and scientific development, along with international collaboration to reduce global crisis. However, those countries who do not invest in imparting knowledge in individuals, ~~face~~ a backward and dependent on other countries and ~~are~~ left behind in the technological race. This requires a need for investing in human capital development, providing better incentives to teachers and researchers, and sharing or collaborating with international stakeholders along with local civil society, educators, and researchers. At last, Dr. Mehrabul-Haq, in his book "Poverty Curtains" explained seven sins of planners and developers. One of the sin is neglecting ~~or a wide gap between growth and justice.~~ The human capital development. He gave the concept of knowledge economy. He said until ~~you~~ one equip our younger generation with knowledge, ~~we~~ would not ~~of~~ achieve desirable results. To conclude, investing in knowledge truly

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pays back if with desirable outcomes.
Neglecting importance of knowledge is the
reason of most countries backwardness
which require a multifaceted approach. Thus,
Following the lesson that investment in
youth is like engraving a stone.

the End