

EDU004 Knowledge organiser: Human capital and the economy

Explain human capital theory and evaluate whether qualifications measure skill, selection or social advantage.

Key concepts

Concept	Meaning	Example	Misconception
human capital	Definition	Example	Common misconception
functionalism	Definition	Example	Common misconception
skills investment	Definition	Example	Common misconception
credentialism	Definition	Example	Common misconception
selection	Definition	Example	Common misconception
labour-market inequality	Definition	Example	Common misconception

Sociological material

Material	Use	Evaluation
Human capital theory: education as investment in productive skills	Use it to explain...	Evaluate by asking...
Credentialist critique: certificates can operate as social closure	Use it to explain...	Evaluate by asking...
Functionalist role allocation: education links talent and training to work	Use it to explain...	Evaluate by asking...

Exam connection

AO1 gives accurate knowledge. AO2 applies it to the exact question. AO3 explains relationships, evaluates evidence and reaches a judgement.