

THE REPUBLIC OF AZERBAIJAN

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ABSTRACT

of the thesis for the award of the degree of Doctor of Philosophy

DIRECTIONS TO INCREASE EFFICIENCY OF EMPLOYMENT IN GANJA-DASHKASAN AND KAZAKH- TOVUZ ECONOMICS REGIONS

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GENERAL CHARACTERISTICS OF THE DISSERTATION

Relevance of the research theme and the degree of development.

In modern times, the problem of ensuring effective employment in the regions is very relevant. This indicator is a socioeconomic issue that has a significant impact on the country's population's living standards, the generation of human capital in the labor market, the expansion of professional options, and personal development. The unequal distribution of labor resources across regions, the movement of labor in the shadow sector, the gap between qualified personnel training and changing labor market demands, gender inequality, and the existence of demographic problems necessitate ongoing reforms to increase employment efficiency.

Despite the relatively excellent employment situation in the country's regions, it is prudent to maintain preventive actions to boost its effectiveness. In order to assess the current employment situation in the Ganja-Dashkesan and Gazakh-Tovuz economic regions, it is first necessary to analyze the behavioral trends of the population in the labor market and changes in the employment structure of the region. The balance between labor resources and jobs should be connected to employment. Along with the social security of the unemployed in the Ganja-Dashkesan and Gazakh-Tovuz economic regions, it is considered expedient to focus on the expansion of activities, increase labor productivity, training and retraining of the workforce, as well as the laws and state programs adopted in Azerbaijan. Equitable labor resource allocation across regions, economic growth, and the stimulation of investment activities targeted at creating new jobs all contribute to the decrease of inter-regional inequities. Maintaining and updating existing jobs within the context of economic efficiency ensures employment regulation.

For this reason, increasing the efficiency of employment in the Ganja-Dashkasan and Gazakh-Tovuz economic regions should be implemented in several directions. One of the most important

directions is the development of social entrepreneurship and self-employment. The expansion of self-employment options ensures that low-income groups have a minimal level of consumption. Creates circumstances for the achievement of unemployed and job-seekers' labor potential, and broadens access to small businesses. Simultaneously, in order to assure long-term company prospects, family business support might be included in the list of regulatory actions done to boost the efficiency of employment in the country. The expansion of family businesses has the potential to become a dependable cornerstone of the country's economic stability. Furthermore, considering that the primary economic sectors of the Ganja-Dashkesan and Gazakh-Tovuz economic regions are industry, agriculture, tourism, and folk crafts, the establishment of industrial parks and technology parks in the region is critical for job creation, employment, and economic development in the sense that it provides stimulation.

As a result, the aforementioned demonstrates the reality of the challenge of enhancing employment efficiency in the Ganja-Dashkesan and Gazakh-Tovuz economic districts.

Numerous studies have been conducted by scholars in the country and abroad on various elements of the subject of increasing the efficiency of employment in the regions.

It is crucial to highlight the primary research directions for this problem:

1. Employment and its regulation: the legal, economic, and social dimensions of the employment issue. It has been studied in the works of scientists Sh.M.Muradov, A.H.Nuriyev, A.N.Muradov, R.S.Abdullayeva, N.M.İmanov, R.Sh.Muradov, E.-S.H.Hasanov, E.Y.Mammadov, M.M.Guluzade, R.P.Sultanova, F.A.Mammadov, H.B.Allahverdiyev, K.S.Qafarov, A.M.Ahmadov, S.M.Mammadov, O.S.Ahmet, C.Ekin, F.Huseyin, G.Sami, K.Yahya, R.K.Mehmet, S.Ahmet, F.N.Akhmetova, A.V.Nogovichina, P.V.Simonin, V.A.Danilova, V.N.Vasilyeva, N.P.Fofanova, L.P.Kostyukevich, N.O.Danilova, K.V.Zaycheva, O.B.Zayach, R.E.Mansurov, A.Y.Kotlyar, A.A.Nikiforova, V.A.Pavlenkov, V.O.Pastukhova, E.P.Sarukhanov, L.S.Chizhova, E.S.Sadovaya, V.V.Kuzmin,

N.Y.Gorbulya, M.A.Gurina, T.I.Sokolskaya, Y.V.Rumyancheva, V.V.Chernyayev, Y.V.Sukhina, P.A.Chukreyev and others.

2. World experience in labor market and employment regulation. It is learned in the scientific work of scientists of G.A.Azizova, S.S.Mehbaliyev, S.M.Seyidova, T.A.Guliyev, E.Y.Mammadov, R.K.Isgandagov, Sh.T.Aliyeva, R.T.Aliyev, U.K.Alakbarov, R.Z.Rahimli, Z.Z.Habibova, G.Ayhan, U.Ayhan, J.Ekin, K.A.Gulin, A.A.Shabunova, E.A.Chekmareva, M.Dokshukina, S.G.Yermolayeva, Y.D.Kvashnin, K.K.Lukyanova, G.G.Pavlovna, V.V.Radayev, A.I.Rofe, O.G.Smeshko, S.V.Smolenskaya, E.V.Yanchenko, A.Karl, G.Alois, G.K.Nikolskaya and others.

3. Development of organizational and economic mechanism of employment regulation at the regional level is investigated by scientists of F.G.Musayev, A.X.Nuriyev, M.A.Ahmadov, A.C.Huseyn, A.Sh.Shakaraliyev, G.A.Shakaraliyev, İ.M.Valizade, E.M.Komlik, V.A.Dvorechkaya, E.V.Maslova, D.Z.Muhiddinova, G.G.Pavlovna, E.V.Romanyuk, A.I.Voloshin, O.G.Smeshko, O.G.Smeshko, S.S.Chuyev, V.V.Druzhinina and others.

Different methods have been reflected in research on effective employment and human capital undertaken by local and foreign researchers.

From the above-mentioned reasons, it is proposed to choose the research topic, to determine its purpose and task.

The object of the study. The object of the study is the sphere of employment of Ganja-Dashkasan and Gazakh-Tovuz economic regions.

The subject of the study. The subject of the research is the study of theoretical, methodological and practical issues of the processes of increasing the efficiency of employment in Ganja-Dashkasan and gazakh-Tovuz economic regions.

The purpose and the objectives of the research. The dissertation research aims to establish theoretical, practical, and methodological directions for improving employment efficiency in the Ganja-Dashkasan and Gazakh-Tovuz economic zones.

In order to achieve the goal set in the research work, the following tasks are planned:

1. To clarify theoretical conceptual and socio-economic bases of employment regulation in the regions;
2. To clarify the structure and functional characteristics of the employment system and the labor market in modern times, to evaluate the content of employment relations at the macro and micro economic levels;
3. To reveal modern approaches in the development of methods of increasing the efficiency of the national employment system, taking into account the directions of development of the world employment system;
4. To determine the objective factors affecting the development of employment of the population in Ganja-Dashkasan and Gazakh-Tovuz economic regions;
5. To conduct a comparative analysis of employment indicators for the regions included in Ganja-Dashkasan and Gazakh-Tovuz economic regions;
6. To access the indicators of employment promotion in the regional employment strategy and other state programs;
7. Investigating the employment sphere and local potential of the regions included in Ganja-Dashkasan and Gazakh-Tovuz economic regions, determining the directions for increasing the efficiency of employment in the region.

Research methods. The dissertation was written using observation and data gathering methods, statistical and graphical methods, statistical analysis, time series analysis, comparative mathematical analysis, logical generalization, expert assessment, computer hardware, and modern software.

The main provisions of the defense:

1. Theoretical-methodological studies were conducted on increasing the efficiency of employment. The main directions of employment regulation for Ganja-Dashkasan and Gazakh-Tovuz economic regions were selected and developed.

2. In the world experience, a comprehensive analysis of the labor market and employment was conducted in the socio-

economic framework. The models applied in the context of international experience were selected and analyzed by economic regions.

3. An analysis of informal employment which forms the shadow economy was carried out in Ganja-Dashkasan and Gazakh-Tovuz economic regions. The existence of this form of employment in the region has a negative impact on the sustainable economic development of both economic development of both economic regions. The causes of informal employment have been identified and proposals have been made to solve the problem;

4. There is a need to ensure the legality of the new jobs created in the region exceeding the demographic development;

5. Improving indicators of the number of employed population in the sectors of the economy in the region, ensuring gender equality can prevent the burden of the state's social burden in the future. For this purpose, it's necessary to create structures specializing in working with labor migrants and vulnerable groups of the labor market;

6. It's the necessary to discover new natural resources in the regions, to determine the main reasons for the uneven distribution of labor resources between regions. Solving the problem of ensuring equal distribution of available labor resources and capital resources across sectors can prevent interregional migration ;

7. It's necessary identify areas with a high specific weight of added value in the regions and increase the total volume of investments involved in these areals;

8. There is a need to apply professional and qualification standards developed on the basis of competencies to increase the competitiveness of the national labor force and ensure the efficiency of employment.

9. Taking into account the socio-economic situation of Ganja-Dashkasan and Gazakh-Tovuz economic regions, there is a need to improve the administrative, regulatory and legal regulation of employment and the labor market. It's necessary to apply a balanced development model by regions.

10. There is a need to improve the national information system in order to monitor the current state of the labor market. It's necessary to ensure the further development of digital labor platforms in order to ensure the correct classification of employment status and compliance with the national classification system, to connect employees with enterprises and customers.

11. On the basis of the conducted analyses, the organizational-economic mechanism of employment regulation at the regional level in Ganja-Dashkasan and Gazakh-Tovuz economic regions was developed and prepared.

Scientific novelty of the research. of the research is the development of theoretical, practical, and methodological approaches for identifying areas for increasing employment efficiency in the Ganja-Dashkesan and Gazakh-Tovuz economic regions in the context of the country's strategic economic interests and the socio-economic development of the regions.

The main scientific novelties have been achieved in the dissertation are:

➤ Directions for increasing employment were introduced in a new manner as one of the main factors of the regional socio-economic development process. The directions for boosting the efficiency of employment as a significant factor in the process of regional socioeconomic development have been investigated in a new approach. Increasing employment efficiency stems from the need to improve the region's intellectual capacity, make better use of labor resources, eliminate regional disparities, promote regional socioeconomic growth, raise living standards, reduce poverty, and ensure economic sustainability.

➤ Based on the geographical and demographic characteristics of Ganja-Dashkasan and Gazakh-Tovuz economic regions, directions for increasing employment efficiency have been determined.

➤ The average annual growth of fixed capital investments and the average annual growth in the number of the employed population were calculated for the region. Based on the obtained results and the measures provided in the state programs for the

socio-economic development of the regions, the average annual investment growth and the increase in the number of the employed population for the years 2023-2028 were presented as a forecast.

➤ It has been proven that industry, agriculture and tourism are primary sources of employment in the region.

➤ Based on the strategic objectives of the development of the region's economy and its modern realities, the criteria for evaluating the potential for increasing the efficiency of employment have been developed.

➤ The effectiveness of the formation of development institutions in the direction of improving employment indicators in Ganja-Dashkasan and Gazakh-Tovuz economic regions has been proven in the work.

➤ An organizational-economic mechanism of regulation regarding measures necessary to increase employment efficiency in Ganja-Dashkasan and Gazakh-Tovuz economic regions has been prepared. In the prepared organizational-economic mechanism, the directions of state regulation and self-regulation of employment issues in the researched regions were segmented and classified.

Theoretical and practical significance of the research. Employment theories, methodological approaches to the field of employment, conceptual provisions, economic and statistical analysis were used to clarify the study situation of the these. Developed with global experience, national economic interests, modern labor market demands, employment strategy goals, and accessible local resources in mind. The recommendations presented in the thesis work can be used by local authorities, as well as enterprises and organizations in the justification of measures aimed at the development of regions within the framework of state policy, in the preparation of employment programs, in the formation of effective mechanisms for the economic development of regions and increasing the efficiency of employment.

Approbation and application. The results obtained can be used by the Gadabay State Agrarian Development Center of the Ministry of Agriculture of the Republic of Azerbaijan and Azeralu-

minium LLC in Ganja, as well as by regional authorities and organizations to identify employment prospects and opportunities in the regions. The main provisions of the dissertation work at the international and national scientific-practical conferences held in Azerbaijan and Turkey in 2019-2022:

1. Modern problems of using technological machines in construction production. Republican Scientific-Practical Conference 2019.

2. Economic security: current situation and prospects. International Scientific Conference 2020.

3. Nazim Huseynli-65. International Congress of Scientific Research 2021.

4. International Gobeklitepe Sosial and Human Sciences Congress–III 2021.

is reported and discussed.

Seven scientific works have been published on the topic of the dissertation. Six of them were published in magazines recommended by the Supreme Attestation Commission under the President of the Republic of Azerbaijan, one in a foreign magazine.

The organization in which the dissertation has been accomplished. Baku Eurasian University.

The structure and scope of the dissertation. The dissertation consists of 3 chapters, conclusions and a list of literature in 161 issues, and has a volume of 154 pages with computer writing. Work introduction – 13 518 characters, Chapter I – 77 298 characters, Chapter II – 65 153 characters, Chapter III – 58 059 characters, conclusion – 12 164 characters, in total the dissertation consists of 226 192 characters.

MAIN CONTENT OF THE DISSERTATION INTRODUCTION

CHAPTER I. THEORY AND METHODOLOGY OF INCREASING EMPLOYMENT EFFICIENCY

1.1. Theoretical and conceptual foundations of labor regulation

1.2. Employment's socioeconomic foundations

1.3. Global Employment Regulation Experience

2.1. Comparative analysis of factors influencing the development of employment in Ganja-Dashkasan and Gazakh-Tovuz economic regions

2.2. Analysis of indicators in the state programs on socio-economic development of the regions of the Azerbaijan Republic

SUGGESTIONS FOR RESOLVING THEM IN INCREASING EFFICIENCY OF EMPLOYMENT IN GANJA-DASHKASAN AND KAZAKH-TOVUZ ECONOMIC REGIONS

3.1. Development of organizational and economic mechanism of employment regulation at the regional level

3.2. The role of strategic goals of the Employment Strategy of the Republic of Azerbaijan for 2019-2030 in economic development

3.3. The main directions of improving employment in Ganja-Dashkasan and Gazakh-Tovuz economic regions

CONCLUSION

LIST OF REFERENCES

THE PRIMARY DEFENSE PROVISIONS

1. The labor market and employment have been thoroughly examined and compared within a socioeconomic framework in global practice.

The study of employment requires a study not only of the concept of employment, but also of processes such as labor and the labor market. This, in turn, actualizes the study of social processes and economic behavior in the labor market, the definition of employment management mechanisms and the establishment of a model of action in various areas of service to ensure effective employment. The structure of employment to some extent reflects the general structure of the economy. It changes significantly under the influence of its changes. The analysis of the structure of employment reflects the social, economic, demographic, ethnic and even environmental aspects of society. The structure of employment includes social, public, private, field, territorial, regional, vocational, age, growth, national, family rings. All these rings do not exist separately from each other. They interact and participate in employment as a unit. Employment is a regulatory scheme that determines the nature of people's interactions in the process of economic activity and their social behavior. The employment of the population has the ability to evolve while maintaining the stability of internal relations. It is a policy aimed at meeting the different needs of individuals in a particular historical context¹. The projection of socioeconomic growth of the regions as a whole is used to estimate the main factors of employment and labor market development in the future¹.

A complete investigation of the primary variables describing employment allows for the identification of difficulties when researching the employment sphere in the regions.

¹Национальная политика в сфере занятости. Руководство для представительных организаций работников. Международная организация труда. – 2015. с. 11-12. – 218 с.

These indicators group belongs: economic, social, demographic structure of employment, indicators of effective employment, indicators that stimulate effective employment. The classification of the population by economic sectors, as well as economic activity and property types, is especially important in the analysis of employment difficulties².

When the concept of productive employment is examined, it is decided that any task cannot be regarded socially acceptable unless it meets two fundamental characteristics. In the first example, employment must provide workers with an income and suitable living conditions. In the second scenario, productive work must be contrasted with formal work. In the first example, income policy, employment policy, anti-inflationary activities, and so on have a direct relationship. In the second instance, the retention of redundant workers or the creation of formal jobs to eradicate unemployment contributes to the formulation of a state policy that ensures the most efficient use of everyone's labor for society, in order to be economically advantageous. Full employment happens when the labor market is balanced³. Methods for increasing employment and its effectiveness should be addressed at the macro and micro levels, as well as at the state, enterprise, and individual levels, in accordance with each entity's obligations.

The following ideas were provided as the primary directions of assuring the efficacy of public administration of employment in the context of the analyzed foreign experience:

1. Organization of information gathering and dissemination on the situation of supply and demand in the labor market;

²Mehbaliyev S.S., İsgandarov R.K. Əmək bazarı və əhalinin sosial müdafiəsi. Bakı, 2002. s. 216-218, – 544 s..

³ Non –standard forms of employment. Analysis of problems and prospects for solutions in different countries. Overview version. International Labour Office - Geneva: ILO – 2017. pp. 9-10.-45 p.

2. Create a comprehensive system of occupational training and retraining for the unemployed or underemployed;
3. Establish a system of tax incentives to help to open new workplaces;
4. Create training and retraining programs to develop labor market competitiveness;
5. Development of regional employment programs and focused public works programs;
6. Development of social security system;
7. Giving preference to more efficient utilization of labor force with foreign experience in public works organization;
8. To develop conditions for the provision of temporary work to the unemployed people, both at the regional and national levels, through the implementation of national initiatives.

2. The role of the economically active population of the region has been identified as one of the factors that have a positive impact on the development of employment in the Ganja-Dashkasan and Gazakh-Tovuz economic regions. Mathematical methods were used to calculate the volume of investments in fixed capital and the average annual increase in the number of employed people for both regions. A forecast for 2023-2028 was presented based on the measures provided for in the state programs for the socio-economic development of the regions.

The analyzed economic regions were known as the Ganja-Gazakh economic region until 2021. Ganja-Gazakh economic region was divided into Ganja-Dashkesan and Gazakh-Tovuz economic regions by Decree of the President of the Republic of Azerbaijan No. 1386 dated July 7, 2021 "On the new division of economic regions in the Republic of Azerbaijan."

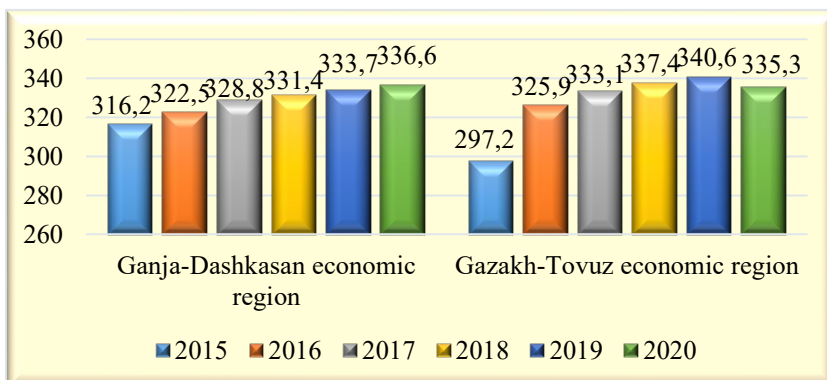


Diagram 1. Economically active population of Ganja-Dashkasan and Gazakh-Tovuz economic regions, thousand people

Source: Compiled by the author on the basis of indicators of the State Statistics Committee of Azerbaijan.

Looking at the statistics of the economically active population of the cities and administrative regions included in the Ganja-Dashkasan and Gazakh-Tovuz economic regions, it is clear that this indicator has developed with growth dynamics over the years. In 2019 and 2020, the number of economically active population in Naftalan city, Dashkasan, Gadabay, Samukh regions remained unchanged. In Ganja-Dashkasan economic region, it increased by 2% in 2016 and 2017, 0.8% in 2018, 0.7% in 2019, and 0.9% in 2020. In the Gazakh-Tovuz economic region, it increased by 8.8% in 2016, 2.2% in 2017, 1.3% in 2018, and 0.9% in 2019, but in 2020, decreased by 1.6% (diagram 1).

Another important indicator is the number of employed people in the region and the volume of investments in fixed assets (shchedule1).

Shcedule 1. Number of employed population and volume of investments in fixed capital in the Ganja-Dashkasan and Gazakh-Tovuz economic regions

	2015	2016	2017	2018	2019	2020
Number of employed population, thousand people	619,1	630,9	644,3	650,8	656	662,9
Fixed capital investments, thousand manats	654450	565378	793665	765422	883951	983774

Source: Compiled by the author on the basis of indicators of the State Statistics Committee of Azerbaijan.

If we take a look at the composition of the employed population in Ganja-Dashkasan and Gazakh-Tovuz economic regions, we will see that in 2015-2020, growth dynamics were observed in this indicator. In general, the average annual increase in the number of employed population in regions and cities varied between 0.8% and 3.2%. The increase of industrial, agricultural, tourism enterprises and service areas in the region has led to an increase in the number of employed population. As an exception, in 2020, a decrease in the number of employed people was observed in all regions and cities as a result of the negative impact of the COVID-19 pandemic. The annual growth dynamics of the number of employed people in the regions can be considered a successful result of the State Programs and projects implemented in the field of employment.

This rise is due to the growing trend of economic activity in the region. Based on the comparative mathematical analysis, it is possible to determine the increase in the number of the employed population in 2016-2020. Let us denote the employment indicator in 2020 by M_{final} , the indicator of 2016 by M_{initial} , and the growth in

2016-2020 by M_{upgrowth} . Based on mathematical calculations, using the formula for the percentage change in quantity, we can calculate the increase in the number of the employed population in the following way:

$$M_{\text{upgrowth}} = \frac{|M_{\text{initial}} - M_{\text{final}}|}{M_{\text{initial}}} * 100\% = \frac{|630,9 - 662,9|}{630,9} * 100\% = 5\%$$

Similarly, it is possible to determine the increase in the number of employed population over the year. Let us denote the growth by years M_5 in 2016 by M_6 , in 2017 by M_7 , in 2018 by M_8 , in 2019 by M_9 , and in 2020 by M_{20} . Then, we can get the following appropriate results.

$$M_6 = \frac{|M_5 - M_6|}{M_5} * 100\% = \frac{|619,1 - 630,9|}{619,1} * 100\% = 1,9\%$$

$$M_7 = \frac{|M_6 - M_7|}{M_6} * 100\% = \frac{|630,9 - 644,3|}{630,9} * 100\% = 2\%$$

$$M_8 = \frac{|M_7 - M_8|}{M_7} * 100\% = \frac{|644,3 - 650,8|}{644,3} * 100\% = 1\%$$

$$M_9 = \frac{|M_8 - M_9|}{M_8} * 100\% = \frac{|650,8 - 656|}{650,8} * 100\% = 0,8\%$$

$$M_{20} = \frac{|M_9 - M_{20}|}{M_9} * 100\% = \frac{|656 - 662,9|}{656} * 100\% = 1\%$$

By calculating the numerical average of the obtained results, it is possible to determine the average annual growth (M_{annual}) in the number of the employed population for each year as follows:

$$M_{\text{annual}} = \frac{|M_6 + M_7 + M_8 + M_9 + M_{20}|}{5} = \frac{|1,9\% + 2\% + 1\% + 0,8\% + 1\%|}{5} = 1,3\%$$

Growth in the number of employed population for 2023-2028 based on average annual growth (M_{coming}) can be as

$$M_{\text{coming}} = M_{\text{annual}} * 5 = 1,3\% * 5 = 6,5\% .$$

The analyzed economic regions are mainly industrial and agricultural. Due to its available resources, it can significantly contribute to the overall growth of the country's economy. Industrial

and agricultural development has particular potential for job creation and poverty reduction. Analyzing the labor market allows detecting informal employment in the region and implementing control measures to prevent it. From the statistical analysis of the salaried workers in Ganja-Dashkasan and Gazakh-Tovuz economic regions, it is clear that a decrease in this indicator has been observed from year to year. In 2015-2018, a decrease in the number of salaried workers was recorded in the range of 0.4%-1%. It increased by 0.3%-0.5% only in 2019-2020. When looking at the statistics of the employed population and salaried workers in the region, it is clear that the number of salaried workers is 4 times less than the number of employed population. This fact reflects the high level of informal employment in the region. As a way out of the problem, implementation of control measures, application of tax concessions and educational activities were shown in this direction.

Carrying out the regional investment policy intended for the socio-economic development of the regions, and at the same time directing the investments to the non-oil sector, achieving development in the regions were among the strategic goals of the state program. When looking at the volume of investments directed to the economic region that we analyzed, changes were observed over the years.

Using the formula for expressing quantitative change as a percentage, investments in fixed capital in 2016 S_6 , the figure for 2020 in S_{20} , investments in fixed assets in 2016-2020 with S_a , investment growth can be expressed as a percentage as follow:

$$S_a = \frac{|S_6 - S_{20}|}{S_6} * 100\% = \frac{|5653778 - 983774|}{565378} * 100\% = 74\%$$

In a similar way, it is possible to determine the investment growth directed to the fixed capital for each year. Let us denote the average annual investment growth as S_7 for 2017, S_8 for 2018, and S_{19} for 2019, respectively. Then,

$$S_6 = \frac{|S_5 - S_6|}{S_5} * 100\% = \frac{|654450 - 565378|}{654450} * 100\% = 13,6\%$$

$$S_7 = \frac{|S_6 - S_7|}{S_6} * 100\% = \frac{|565378 - 793665|}{565378} * 100\% = 40,4\%$$

$$S_8 = \frac{|S_7 - S_8|}{S_7} * 100\% = \frac{|793665 - 765422|}{793665} * 100\% = 3,6\%$$

$$S_9 = \frac{|S_8 - S_9|}{S_8} * 100\% = \frac{|765422 - 883951|}{765422} * 100\% = 15,5\%$$

$$S_{20} = \frac{|S_9 - S_{20}|}{S_9} * 100\% = \frac{|883951 - 983774|}{883951} * 100\% = 11,3\%$$

On the other hand, if we consider that this increase covers 5 years, then the average annual investment growth for each year (S_0) is calculated as follows:

$$S_0 = \frac{S_6 + S_7 + S_8 + S_9 + S_{20}}{5} = \frac{13,6\% + 40,4\% + 3,6\% + 15,5\% + 11,3\%}{5} = 16,9\%$$

Based on the obtained results and the measures provided in the state programs for the socio-economic development of regions in the country, the average annual investment growth forecast for 2023-2028 (A_{fl} -annual forecast) is 18%. Finally, investment growth(A_f) in 2023-2028 can be

$$A_f = A_{fl} * 5 = 18\% * 5 = 90\%$$

The conducted reports are summarized in Table 2.

Shcedule 2. Ganja-Dashkasan and Gazakh-Tovuz economic regions forecast indicators for the years 2023-2028, in %

	Growth, 2016-2020, in %	Average annual growth, 2016-2020-ci illər, %-lə	Forecast average annual growth, 2023-2028-ci illər, %-lə	Forecast growth, 2023-2028-ci illər, %-lə
Fixed capital investments	74%	16.9%	18%	90%
Number of employed population	5%	1.3%	19%	6.5%

Source: Compiled by the author.

3. It is possible to assure the long-term development of the Azerbaijani economy by boosting regional employment efficiency, creating new jobs, expanding competitiveness, and improving the social welfare of the population.

In our country, one of the focuses of the state's social policy is the development of new jobs. The newly created positions cover efforts aimed at resolving the population's employment situation. Economic development must include the creation of jobs as well as working conditions that allow people to labor freely and securely. It occurs not to achieve a goal, but to improve people's lives⁴. Azerbaijan has had rapid population expansion throughout the years. As a result, the country's economic expansion, as well as the creation of new jobs, must constantly outpace demographic development. The availability of infrastructure, conditions, and possibilities in the areas is required for the creation of new jobs. Diagram 2. depicts statistics on new jobs produced in the Ganja-Dashkasan and Gazakh-Tovuz economic regions between 2015 and 2020.

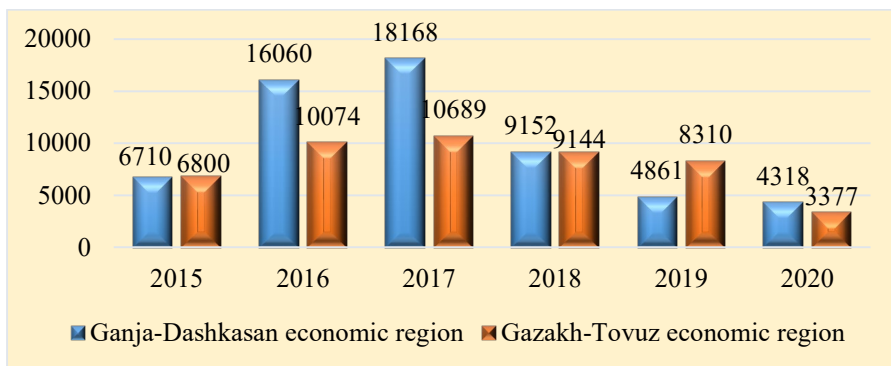


Diagram 2. New jobs created in Ganja-Dashkasan and Gazakh-Tovuz economic regions.

Source: Compiled by the author on the basis of indicators of the State Statistics Committee of Azerbaijan.

⁴ Международная организация труда, 2016. Международные трудовые нормы: краткое введение. с.12-13, – 136 с.

In 2015, 13,510 new jobs were created in the regions, of which 7,654 (43%) were permanent jobs. The sharp drop in oil prices on the world market in late 2015 led to serious reforms to develop the non-oil sector in Azerbaijan. As a result of attracting investments in the development of industrial enterprises, small and medium enterprises in the regions, the number of new jobs created in 2016 increased by 48% compared to the previous year. Thus, 26,134 new jobs were created, of which 18,642 (71%) are permanent jobs. During the next 2017-2020, a decrease in the number of newly created jobs was observed. The political and economic processes taking place in the world, the impact of the global pandemic COVID-19 have also had a negative impact on the employment system in the region. 28,857 new workplaces, including 15,789 (55%) permanent jobs in 2017, 18,296 new workplaces, including 10,491 (57%) permanent jobs in 2018, 1,317 new workplaces in 2019, and 7,695 new workplaces in 2020 were created.

The newly created workplaces mainly involved the private sector. As a result of the socio-economic reforms implemented in Azerbaijan, the opening of enterprises, services and catering facilities has created conditions for the employment of citizens. In the macroeconomic indicators of the Republic of Azerbaijan, 4.4% of total investment, 8.3% of income, 4.3% of output fell to the share of Ganja-Dashkasan and Gazakh-Tovuz economic regions.

The income of the population in the region in 2015 amounted to 3480.5 million manat. In 2016, this figure increased by 8.4%, in 2017 by 6.8%, in 2018 by 7.3%, and in 2019 by 6%. When considering the incomes of the population by administrative districts, the dynamics of growth compared to the previous year was observed every year, including 2019. However, in 2020, like other indicators, the income of the population in the region decreased. Thus, compared to 2019, the income of the population decreased by 4.3% and amounted to 4477.3 million manat.

4. Positive trends were identified by assessing the existing situation in the field of employment in the region using indicators from the state programs on socioeconomic

development of the regions of the Republic of Azerbaijan and the Employment Strategy.

The priorities of the state in Azerbaijan are to bring the country's labor legislation in line with the requirements of a market economy, increase employment efficiency in the regions and achieve socio-economic growth.

Measures taken in this direction, adopted economic and infrastructure projects, State Programs provide a basis for ensuring the alignment of the interests of employees, employers and the state, increasing the flexibility of labor relations.

The initiatives that have been approved are focused at improving workers' basic labor and social rights, enhancing living standards, and eradicating poverty. President Ilham Aliyev has always prioritized the Republic of Azerbaijan's economic growth plan.

The decree "On measures to accelerate socio-economic development in the Republic of Azerbaijan" signed on November 24, 2003 from the first days of its activity has created ample opportunities for the effective organization of creative work in the regions.

After that, the four "State Program of Socio-Economic Development of the Regions of the Azerbaijan Republic" (2004-2008, 2009-2013, 2014-2018, 2019-2023) adopted in succession helped to diversify the country's economy, ensure macroeconomic stability, and implement large-scale infrastructure projects, has given impetus to the implementation of the program, opening of new work places in the regions, the improvement of business and entrepreneurship. About 650 orders were signed to ensure socio-economic development of administrative districts and cities. Strategic road maps covering the main sectors of the economy, approved on December 6, 2016, as well as the "Decent Work Country Program for Azerbaijan for 2016-2020", etc. Strategies and socially oriented state programs have been one of the directions of employment policy implemented in our country. In order to form a long-term effective employment policy based on economic

priorities, the "Employment Strategy of the Republic of Azerbaijan for 2019-2030" was approved. The goals and priorities of the adopted strategy have been identified.

The strategy states that 1.96 million work places have been opened in the country over 15 years. 73.3% of the work places were permanent, of which 70% fell to the regions⁵.

5. Effective ways to increase direct investment in the region by domestic and foreign investors have been identified, and a number of proposals have been made, in order to increase the efficiency of employment of the population of the Ganja-Dashkesan and Gazakh-Tovuz economic regions and open decent work places in the future.

Attracting domestic and foreign investments to regions, increasing production and exports, ensuring regional development, increasing research and development potential, developing new technologies, organizing environmental protection measures, and increasing employment efficiency should be implemented within the framework of the state's general economic policy⁶.

Investing in more productive and decent employment not only improves society socioeconomically, but also increases the efficiency of the agriculture industry. The majority of the Ganja-Dashkesan and Gazakh-Tovuz economic regions' population lives in rural areas and works in agriculture. Intensification of production through efficient use of available labor resources, expansion of production of competitive products, and an increase in the incomes of agricultural workers can all contribute to increased economic activity in the region, the formation of the agricultural sector's resource market, and socioeconomic development.

⁵“2019–2030-cu illər üçün Azərbaycan Respublikasının Məşğulluq Strategiyası”. AR Prezidentinin 2018-ci il 30 oktyabr tarixli Sərəncamı ilə təsdiq edilmişdir. s.2-4, – 11 s.

⁶ Emre Eser. Türkiyede uygulanan yatırım teşvik sistemleri ve mevcut sistemin yapısına yönelik öneriler. Nisan. 2011. s. 17, – 242 s.

Some of the reasons for the low efficiency of the agricultural sector are the existing employment problems:

- lack of good working conditions and skills;
- use of inefficient practices;
- incomplete employment and weak labor force potential;
- lack of regular employment contracts, resulting in insufficient investment in labor protection, skills and production capacity;
- gender and age inequality in rural labor markets (limiting the mobilization of the full production potential of women and young workers).

The volume of fixed asset investments in the region in 2019 under investment projects implemented in the implementation of regional investment strategy originating from the primary objectives of state programs on socioeconomic development amounted to 107382.6 thousand manat, 2.3 times more than in 2018. As a result of measures taken to produce competitive, export-oriented industrial products, the total volume of industrial output amounted to 41453.7 thousand manat 100.3% compared to the previous year. Carrying out the regional investment policy intended for the socio-economic development of the regions, at the same time, directing investments to the non-oil sector can significantly affect the development of the regions.

6. An analysis of the employment sphere in Ganja-Dashkasan and Gazakh-Tovuz economic regions was conducted and an organizational and economic mechanism of employment regulation in the region was developed and presented.

The right determination of strategic objectives, the sequence of planned actions, and the appropriate use of resources in their solution are all critical to the regional socio-economic system's long-term viability and the well-being of the population⁷.

⁷Ускова Т.В. Управление устойчивым развитием региона. Монография, Вologda. -2009, с.222, – 355 с.

The following principles should be kept in mind when determining employment regulation strategies at the regional level:

- ✓ Maintaining macroeconomic stability and determining the impact of macroeconomic policy on employment;
- ✓ Increasing labor market flexibility;
- ✓ Strengthening education-labor relations, development of human capital;
- ✓ Industrial policy development;
- ✓ Development of innovations and technologies;
- ✓ Increasing employment opportunities for women, youth and low-income groups;
- ✓ Improving the business and business environment;
- ✓ Focusing investments on infrastructure projects;
- ✓ Strengthening employment and social protection relations;
- ✓ Carrying out structural reforms;
- ✓ Minimizing the informal economy⁸.

The development of an organizational and economic mechanism for regulating employment should be aimed at organizing effective employment.

This mechanism should cover the processes of ensuring effective employment, creating decent working conditions, and restoring or re-creating existing jobs, as well as the promotion of support for self-employment and entrepreneurship, attracting domestic and foreign investment, and training of human resources in accordance with the student.

The following proposals and recommendations have been put forward for the research conducted in the dissertation:

1. Increasing the mobility of labor resources, protecting the national labor market, creating equal opportunities for the citizens of the country, supporting the entrepreneurial initiative of citizens

⁸İbrahim Öztürk, Bahadır Tuzcu. Küresel Kriz ve İstihdam. Müsiad Araştırma Raporları: 80, İstanbul. Kasım, 2012. S.175-176, – 234 s.

operating within the framework of the law as well as implementing projects that help the employment of citizens who have difficulty looking for work will increase the efficiency of employment.

2. In order to regulate supply-demand relations, it is necessary to use internal resources effectively, to carry out reforms aimed at eliminating bureaucracy.

3. The inclusion of employment in the regions into the length of service in private auxiliary farms and the provision of social security can have a positive effect on the socio-economic development of the region along with employment.

4. The wages of wage earners in the economy should be improved through projects implemented in the direction of socio-economic development formation of decent jobs, provision of labor protection at a high level, bringing the price of labor force in the village closer to the city level will increase the efficiency of employment and prevent migration within the country.

5. It is necessary to hold national and international business meetings in the direction of the development of social entrepreneurship and family business and exchange experience at these meetings. Family companies should be supported in both legal and social psychological issues by creating a Training Institute based on international experience.

6. There is a need to develop training programs and regional employment programs in order to increase competitiveness in the labor market. Temporary employment of the unemployed population at the regional level or in the implementation of national projects should be ensured.

7. Ensuring that the new jobs created in the sectors of the economy in the region exceed the demographic development should be kept in focus.

8. On the basis of the productivity criterion, the investment attractiveness of industrial and agricultural sectors with higher productivity in the region should be increased.

9. The experience of implementing active employment policy through “active employment programs” is effective. Application of

such programs can prevent long-term unemployment of the region's population.

10. The formation of structures specializing in working with labor migrants and vulnerable groups of the labor market will have a positive effect on increasing the efficiency of employment.

11. In order to ensure the availability of information about the labor market, digital activities should be improved and an online database should be formed

DİSSERTASIYA İŞİNİN ƏSAS MÜDDƏALARI VƏ ƏLDƏ OLUNMUŞ NƏTİCƏLƏR DƏRC OLUNMUŞ AŞAĞIDAKI ELMİ ƏSƏRLƏRDƏ ÖZ ƏKSİNİ TAPMIŞDIR.

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