

REPUBLIC OF AZERBAIJAN

On the right of the manuscript

**THE ECONOMIC DEVELOPMENT STRATEGY OF THE
REPUBLIC OF AZERBAIJAN: ACTIVITY IN THE
DIRECTION OF ELIMINATING POVERTY AND
UNEMPLOYMENT (2004-2014)**

Specialization: 5503.02 – History of Motherland

Field of science: History

Applicant: **Adigozalova Gunel Rustam**

ABSTRACT

of the dissertation submitted for the degree of
Doctor of Philosophy

Sumgait - 2024

The dissertation work was carried out at the Department of History and Peoples of Eastern Europe of Sumgait State University.

Scientific Leader: Doctor of Historical Sciences, Professor
Adil Bakhshali Bakhshaliyev

Official opponents: Doctor of science in history, Professor
Vekil Safiyar Hasanov

Doctor of science in history, Professor
Jamal Mehdi Mustafayev

Doctor of Historical Sciences, Professor
Ismayıl Mehemed Mammadov

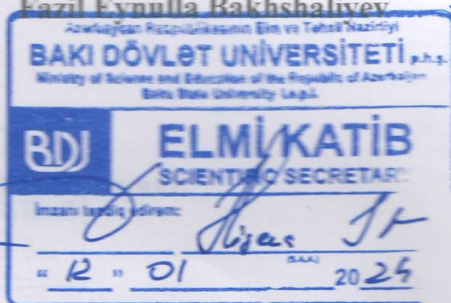


The Dissertation Council ED. 2.20 of the Higher Attestation Commission under the President of the Republic of Azerbaijan operating within Baku State University.

Chairman of the Dissertation Council: Doctor of Historical Sciences, Professor
Ibrahim Khudaverdi Zeynalov

Scientific Secretary of the Dissertation Council: Doctor of Philosophy in History, Associate Professor
Kamala Telman Najafova

Chairman of the scientific seminar: Doctor of Historical Sciences, Professor
Fəzil Eynulla Bakhshaliyev



GENERAL CHARACTERISTICS OF THE DISSERTATION

Relevance and development degree of the topic. Azerbaijan, regaining its independence in 1991, faced serious economic problems. These problems were connected, on the one hand, with the weakening of previously existing economic ties with the republics of the USSR, and, on the other, with the unsuccessful policy of the forces in power in the early years of independence.

After coming to power at the will and demand of the Azerbaijani people in mid-1993, Heydar Aliyev wrote and created unforgettable and heroic pages in the history of Azerbaijan to save the republic, which he created and built thanks to his hard work, high organizational skill and foresight in the 70-80s of the last century, from unemployment and poverty, political-moral crisis, fragmented and collapsed economic situation. Due to objective and subjective reasons, serious shocks occurred in the economy of Azerbaijan beginning from 1986-87s. Naturally, the economic downturn accelerated since 1990. The situation even reached the point where 85-90% of food products were imported from abroad, and there was a serious food shortage in the country. Occupation of 20% of the territory of Azerbaijan as a result of the Nagorno-Karabakh conflict between Armenia and Azerbaijan, displacement (expulsion) of up to a million people from their homes, the costs of the war, numerous victims and problems caused by internal dissensions created additional difficulties. Azerbaijan, facing with the threat of civil war and even losing its independence, became the object of interest of major powers who wanted to make it dependent on themselves. The favorable geographical location of the republic, scientific-technical and human potential, rich natural resources and favorable climatic conditions, and most importantly, a great leader capable of leading the people, helped to overcome all these difficulties.

After President Ilham Aliyev took over the leadership of the country, a new stage of development began with the preservation of the succession principles in development. The oil industry and its revenues were of great importance in ensuring the economic growth of the republic.

As a result of the socially oriented events carried out field of poverty reduction and elimination of unemployment in our republic, the successful results were achieved in the direction of poverty reduction and elimination of unemployment in 2004-2014.

The chronological framework of the study covers 2004-2014 of the presidency period of Mr. Ilham Aliyev. This period occupies a special place in the strategy of economic development of our country. The state programs, action plans, decrees and orders of the President adopted during this period were of great social significance and served to increase the general level of well-being of the population.

Among the works in which the general issues related to the fundamental principles, main directions, goals and socio-economic situation of the development strategy of the Republic of Azerbaijan are widely covered the scientific works such as K.M. Abbasov "Ways of Azerbaijan's integration into the world economy"¹, Abdulazimov J. "Successes of the strategy of sustainable economic development"², Allahverdiyev N.B, Gafarov K.S, Akhmedov A.M "Fundamentals of state regulation of the national economy"³ and M.K.Atakishieva "New oil policy of Azerbaijan and economic growth of Azerbaijan"⁴ are of great importance. One of the important points is that although the mentioned studies address issues of economic and social development in 2004-2014, the strategies of economic development of the republic, the problems of poverty and unemployment in the country have not been comprehensively studied.

In the researches such as B.S.Akhmedova "The mechanism of investment decision-making in the national economy and the factors

¹ Abbasov K., Ways of integration of Azerbaijan into the world economy. Baku: Elm. 2005 p. 252

² Abdulazimov J., Successes of the strategy of sustainable economic development. Azerbaijan. October 8, 2010 p.3

³ Allahverdiyev N., Gafarov K., Ahmadov A. Fundamentals of state regulation of sustainable economic development. Baku, 2012 p. 508

⁴ Atakishiyev M., New oil policy of Azerbaijan and economic growth. Baku Azerneshr . 2004 p.264

influencing it"⁵, M.A.Akhmedova "Globalization and the formation of the national economy"⁶ and A.A. Alakbarov "Regulation of financial and budgetary parameters of socio-economic development"⁷, S. Hajiyevev "Identification of the economic development model of Azerbaijan: Heydar Aliyev and the modernization strategy of Azerbaijan"⁸, the investment and financial issues were the main object of the research and important results for the studied topic were obtained. One of the missing aspects is that more space was given to economic, investment and budgetary issues and their statistics, and less space was given to solution of social problems, especially poverty and unemployment problems.

The issues related to the agricultural issues were reflected in the works "From economic development towards modernization"⁹ by A.P. Babaev and S.V. Salakhov "Problems of state regulation of the agricultural sector"¹⁰.

Along with various fields of economics, rich knowledge about the development of agriculture were provided in the research works of A.S.Shakaraliyev "Economic policy of the state: realities and prospects"¹¹, Urkhan Alekperov "Fundamentals of Human Development"¹², R.Aliyev "Agricultural market and food security"¹³.

⁵ Ahmadov B. The mechanism of investment decision-making in the national economy and the factors influencing it. Baku: Economic sciences: theory and practice. 2010, № 2, p. 180-188

⁶ Ahmadov M., Globalization and formation of national economy. Baku: Azerneshr. 2003. p.520

⁷ Alakbarov A. Regulation of the financial and budgetary parameters of socio-economic development. Baku: Elm. 2007. p.448

⁸ Hajiyevev S. Identification of the economic development model of Azerbaijan: Heydar Aliyev and modernization strategy of Azerbaijan. Baku: Azerneshr. 2011. p.708

⁹ Babayev A. From economic development towards modernization. Baku: Oguz eli. 2013. p.200

¹⁰ Salahov S. Problems of state regulation of the agricultural sector. p. 504

¹¹ Shakaraliyev A. Economic policy of the state: realities and perspectives. Baku. 2009. p.415

¹² Alakbarov U. Fundamentals of human development. Textbook. Baku: Azpoligraph. 2016 p.280

¹³ Aliyev R. Agricultural market and food security. Baku: Azerneshr. 2005. p.432

It should also be noted that in some cases there is a certain discrepancy between the conclusions of the authors and the existing statistics. Naturally, the materials of these works, as well as other works used in the course of the study, were subject to scientific filtration and included in the dissertation work after comparative analysis.

The research paper was written on the basis of a wide source base. Important documents, normative legal acts, either the economic development of Azerbaijan, or a specifically adopted program related to reducing poverty and unemployment, and increasing employment were involved in the working process. The data obtained from the sources used and the results of their analysis allow for a deeper and more complete study of the processes taking place in the economic life of the Republic of Azerbaijan in 2004-2014.

The speeches, interviews, statements and signed documents of the national leader Heydar Aliyev are among the important sources. These sources allow us to correctly assess the purpose and essence of the steps taken in the socio-economic life of Azerbaijan and the changes that have taken place, and for this reason, attention was drawn to the heritage of Heydar Aliyev in the working process.

Archival materials occupy an irreplaceable place among the sources used in the research process. In the materials stored in the State Archival Fund of the Republic of Azerbaijan¹⁴, in the Central Archival Department of the State Oil Company (SOCAR)¹⁵ and covering the years 2004-2014, facts and information about the socio-economic policy carried out in the Republic of Azerbaijan, elimination of poverty and unemployment, social protection of the population, youth employment policy and development of the regions were included.

The statistical data from the important sources were also used in the study of the topic. Meantime, the importance of information from

¹⁴ State Archive of the Republic of Azerbaijan, Fund No. 1(II), list No. 152, case No. 401, sheet - 40.

¹⁵ Archive Department of the State Oil Company of the Republic of Azerbaijan. Fund No. 1, list No. 3

the State Statistics Committee of the Republic of Azerbaijan¹⁶ should be emphasized. Undoubtedly, the socio-economic development of the Republic of Azerbaijan is carried out on the basis of certain laws. From this point of view, we can mention the laws of the Republic of Azerbaijan on "Mortgages"¹⁷, "Employment"¹⁸, "Insurance activities"¹⁹, "Social benefits", "Targeted state social assistance"²⁰ and "Subsistence minimum"²¹.

In the course of the study, the reports state bodies and structures related to the socio-economic sphere were taken into account as an important source. The reports of the Cabinet of Ministers of the

¹⁶ Regions of Azerbaijan/ State Statistics Committee of the Republic of Azerbaijan.- Baku: Sada, 2004. 697 p.// Statistical indicators of Azerbaijan/ State Statistics Committee of the Republic of Azerbaijan. Baku: Sada, 2005. 868 p. // Socio-economic development of regions: 2004-2008/ State Statistics Committee of the Republic of Azerbaijan. Baku: Sada, 2006. 456 p. // New jobs// - Baku: Statistical collection of the State Statistics Committee of the Republic of Azerbaijan, 2007. January, 309 p. //

¹⁷ Decree of the President of the Republic of Azerbaijan on the establishment of the system of mortgage loans in the Republic of Azerbaijan: [Electronic resource]/ approved on September 16, 2005. - Single electronic database of legal acts of the Ministry of Justice of the Republic of Azerbaijan. URL: http://frameworks.e-ganun.az/10/c_f_10724.html

¹⁸ Decree of the President of the Republic of Azerbaijan on the approval of the "State Program for the Implementation of the Employment Strategy of the Republic of Azerbaijan (2007-2010)": [Electronic resource]/ approved on May 15, 2007. - Single electronic database of legal acts of the Ministry of Justice of the Republic of Azerbaijan. - URL: <http://www.e-ganun.az/framework/13340>

¹⁹ Law of the Republic of Azerbaijan on insurance activity: [Electronic resource]/ approved on December 25, 2007. - Single electronic database of legal acts of the Ministry of Justice of the Republic of Azerbaijan. URL: <http://www.e-ganun.az/framework/13983>

²⁰ Law of the Republic of Azerbaijan on social benefits: [Electronic resource]/ approved on February 7, 2006. - Single electronic database of legal acts of the Ministry of Justice of the Republic of Azerbaijan. URL: <http://www.e-ganun.az/framework/11508>

²¹ Valiyev, E. Macroeconomic subjects of the development of the non-oil sector in the Republic of Azerbaijan. Collection of articles of the Institute of Economics of Baku ANAS, 2005. No. 2, p. 38-45.

Republic of Azerbaijan, the Ministry of Labor and Social Protection of the Republic of Azerbaijan, the Central Bank of the Republic of Azerbaijan, and the State Oil Fund of the Republic of Azerbaijan are of such sources. The main thing that makes these sources important for research is related to the systematic collection of data, the possibility of tracking the plans and events implemented to eliminate the problem of poverty and unemployment in the Republic of Azerbaijan. Meanwhile, the books " Oil Strategy of Heydar Aliyev: for the sake of Independence and Welfare of Azerbaijan", "Economy and Oil: the Merits of Ilham Aliyev in the Implementation of the New Oil Strategy of Heydar Aliyev"²², "Contract of the Century - 10 years"²³ developed by the Secretariat of President of the Republic of Azerbaijan. These books include extensive information reflecting the positive impact of the development of the oil industry on social security in Azerbaijan.

When writing the dissertation, the works of foreign authors related to the topic to one degree or another were used. Meantime the works of M. Bilgi "Eurasian Energy Wars"²⁴, S. Ilkhan "Geopolitics of the Turks and Eurasianism"²⁵, T. Kurbanov "Aspects of national economic development in Azerbaijan"²⁶, A. N. Osman "Azerbaijan economy and investment opportunities"²⁷ should be specifically mentioned. These authors also drew attention to social issues along

²² Economy and oil: Ilham Aliyev's in the realization of Heydar Aliyev's new oil strategy. Baku: Nurlan, 2004. p.234

²³ Hasanov A. Oil strategy and establishment of Azerbaijan's foreign policy activity. Baku: The contract of the century - 10: Azerbaijan on the path of great development, 2004, p. 11-16.

²⁴ On the development of the non-oil sector in the first half of 2018

URL:<https://economy.gov.az/article/azerbaycan-respublikasinda-geyri-neft-sektorunun-inkishafi-2018-ci-ilin-birinci-rubu-uzre/29186>

²⁵ Ilhan S. Geopolitics of the Turks and Eurasianism. Ankara: Bilgi Publishing House, 2005. 220 p.

²⁶ Kurbanov T. Aspects of national economic development in Azerbaijan // - Trabzon: Black Sea Research: Journal of Balkan, Caucasian, Eastern European and Anatolian Studies, 2012. № 34, p. 37-45.

²⁷ Osman A. Azerbaijan economy and investment opportunities. Bakı: TUSAİB publications, 2005. 395 p.

with economic development, geo-economics, investments, etc. issues.

The works of the Russian authors - Bondarenko O.Y., Veselov D.A. "Optimal accumulation of capital in the resource economy"²⁸, Kuznetsov G. "Women and work"²⁹, Lavrov E.I., Kapoguzov E.A. "Economic growth: theories and problems"³⁰, Polterovich V., Popov V., Tonis A. "Economic policy, quality of institutions and mechanisms of resource curse"³¹, Chagas H.A., Tumanova E.A. "Macroeconomics-2"³² played an important role in carrying out research work. The issues as the theoretical foundations of economics, formation of a social protection system and mutual development of socio-economic progress were reflected in the works of these authors.

The literatures of the Western authors were also used in the dissertation work. It is considered relevant to use the research works such as Auty R.M. "Resource abundance and economic development"³³, World Corden W.M., Neary J.P. "Booming Sector and De-Industrialization in a Small Open Economy"³⁴. Unfortunately, in such works, the problem of poverty and unemployment was analyzed mainly from a Western point of view, local national characteristics of the country were not taken into

²⁸ Bondarenko O., Veselov D. Optimal non-capitalization and resourcing economics. Moscow, 2009. 32 p.

²⁹ Kuznetsov G. European Union: women and work: [Electronic resource] / URL: <http://www.demoscope.ru/weekly/2005/0219/analit03.php>

³⁰ Lavrov E., Kapoguzov E. Economic growth: theories and problems. Omsk: Omsk State University Publishing House, 2006. 214 p.

³¹ Polterovich V., Popov V., Tonis A. Economic policy, quality of institutions and mechanisms of the "resource curse". Moscow: Economic Issues, 2007. No. 6, p. 4-27

³² Shagas N.A., Tumanova E.A. Macroeconomics-2. Moscow: Moscow State University Publishing House, 2006. 427 p.

³³ Auty, R. Resource Abundance and Economic Development. New York: World Institute for Development Economic Research, 1998. № 2, p. 839-846.

³⁴ Corden, W., Neary, J. Booming Sector and De-Industrialization in a Small Open Economy. London: The Economic Journal, 1982. № 368, p. 825-848.

account.

From this point of view, I think that the dissertation work can be considered important both in terms of compliance with the research topic, the research period, and the relevance of the modern period.

Object and subject of the research. The object of the dissertation is the priority issues of elimination of poverty and unemployment. For the first time, the problem of eliminating poverty and unemployment was chosen as an object of research. The subject of the study is the measures taken to eliminate poverty and unemployment, which are components of the economic development strategy of the Republic of Azerbaijan.

Goals and objectives of the study. The goal of the dissertation is to investigate the policy pursued in the republic, the steps taken, the results achieved towards the economic development of Azerbaijan, the elimination of poverty and unemployment, to make generalizations based on facts and to obtain concrete results oriented towards the future. To achieve this goal, the following tasks have been identified:

- ✓ Study of the economic development strategy of the Republic of Azerbaijan, its state policy implemented by President Ilham Aliyev in relation to social issues;
- ✓ Study of the general level of poverty and unemployment in Azerbaijan in 2004-2014, analysis of the results obtained;
- ✓ Analysis of the action plan prepared in various fields and the mechanisms for their implementation in the direction of eliminating poverty and unemployment;
- ✓ Starting from 2004, the work carried out in the direction of reducing poverty and unemployment in the Republic of Azerbaijan and the assessment of these works from a political, economic and social point of view;
- ✓ Channeling income generated as a result of economic development into the social sphere and researching their causes and consequences;
- ✓ Carrying out generalizations on the studied problems in the process of research and obtaining specific results.

Research methods. The statements of national leader

Heydar Aliyev on improving of social-economic development of Azerbaijan, employment level and social status of population constitute the source of the theoretical basis of the study. Various research methods were used during the dissertation work. First of all, the methods of comparative and critical analysis enabling to consider the measures implemented in the field of economic development, elimination of poverty and unemployment in the development process in the Republic of Azerbaijan were used.

The main provisions of the dissertation defense. Below are the main provisions of the defense on the topic I have studied:

- Study and research of the application of new methods in the study of solution ways of the poverty and unemployment problems during the transformation of oil capital into human capital in the Republic of Azerbaijan in 2004-2014, especially during the development and implementation of socio-economic programs;

- President Ilham Aliyev's use of not only domestic, but also international experience in the adoption and implementation of socio-economic projects over a ten-year period, taking into account our local national values, remaining faithful to the principles of humanism;

- acceptance of the solidarity of the state and citizens as the basis for building a social protection system taking into account national interests.

The scientific novelty of the research. Although various aspects of issues related to poverty and unemployment, which are global problems, have been studied by individual researchers, for the first time in Azerbaijan this problem is studied comprehensively and as an independent object of research.

During the research process, various sources and research papers were analyzed, and the obtained results enabled to achieve the set goal, to study the investigated problems comprehensively and in-depth and reveal their essence. Taking all these into account, the following points can be considered the scientific novelty of the dissertation:

- ✓ The strategy of economic development of Azerbaijan, the problems of poverty and unemployment in 2004-2014 were studied

for the first time both from a political and socio-economic point of view;

✓ The solution directions of poverty and unemployment problems in Azerbaijan were indicated;

✓ The influence of the development of the non - oil sector of the economy on improving the material well - being of the population has been studied;

✓ The socio-economic measures implemented in Azerbaijan in 2004-2014 to eliminate the problems of poverty and unemployment have been systematically studied;

The unique development achieved by Azerbaijan in a short period of time was analyzed in a comparative form with the socio-economic systems and experience of various countries.

Theoretical and practical significance of the study. Using the materials of the dissertation, it is possible to conduct new scientific research on the socio-economic policy of Azerbaijan. This research work can be used in writing generalizing works on the history of Azerbaijan, in preparing the concept of socio-economic development of the republic. In addition, the materials of the dissertation can be used in the preparation of textbooks, study guides, teaching materials, programs, lecture texts, teaching elective subjects in higher educational institutions.

Approval and application. The applicant's thesis regarding the topic of the dissertation work was published in periodicals recommended by the Higher Attestation Commission under the President of the Republic of Azerbaijan - 9 articles, including 3 abroad, 6 within the country, 9 international and republican scientific conference materials, including 3 abroad.

The name of the institution where the dissertation work was carried out. The research work was carried out at the Department of "History of Azerbaijan and the Peoples of Eastern Europe" of Sumgait State University.

The total volume of the dissertation with a sign indicating the volume of the structural sections of the dissertation separately. Introduction to the dissertation (16 pages, 28865), chapter I (28 pages, 51187), chapter II (50 pages, 93488), chapter III

(23 pages, 40456), conclusion (7 pages, 12083), use the total volume of his work, including the list of references (21 pages), list abbreviations and symbols, is 145 pages, the number of characters is 226079.

MAIN CONTENT OF THE DISSERTATION.

The "Introduction" part of the dissertation substantiates the relevance of the topic, reveals the level of study, defines the goals and objectives of the study, indicates scientific novelty, methodological foundations, theoretical and practical significance, and provides information. data on the approval and structure of the dissertation.

The first chapter of the research work is devoted to the "Main directions of the strategy of socio-economic development of the Republic of Azerbaijan".

Poverty and unemployment are among the issues of concern to the modern world as a global problem. This question has reached our days, changing its form depending on a certain time, place and circumstances. Historical experience shows that this problem manifests itself more prominently in undemocratic, politically and ethnically unstable countries, as well as during the transition period in the economy, under colonial rule and in newly independent countries. As we know, there are predominantly liberal, social democratic and socially oriented models in the countries based on market relations. *"The development of the necessary historical conditions for the independence of a particular nation and country in human history manifested itself in different forms and contents in different periods."*³⁵

Currently, it is impossible to determine the true and real unemployment rate due to the lack of necessary statistical data, big number of hidden unemployment and existence of a black labor market. However, as the labor market develops, our country uses the methodology accepted in world practice and adapts it to its own practice. For comparison, *"According to the law on the minimum*

³⁵ Labor and social problems. Baku: Collection of reports of the Ministry of Labor and Social Protection of the Population of the Republic of Azerbaijan, 2011. No. 1, p. 151

subsistence level in the Republic of Azerbaijan for 2008, the average income was approved in the amount of 70 manats per person, as well as 79 manats for the working-age population, 55 manats for pensioners, 59 manats for children"³⁶.

In the first subsection of the first chapter "Theoretical, methodological, conceptual ideas towards the elimination of poverty and unemployment". The increase in income generating opportunities for the population, in turn, has a positive impact on the development of education and healthcare. As a result, it turns out that there is an organic relationship between the level of poverty of the population and the level of their education and health. *"People living in poverty face health problems since they cannot eat properly. From all this, low health care costs from the per capita budget, as well as the fact that medical care costs do not correspond to the realities of Azerbaijan, deteriorate the situation of poor people"*³⁷.

One of the interesting facts is that *"The UN Development Program put forward a sustainable human development approach - the implementation of development within the framework of human capital not on the basis of increasing the volume of material goods and services, but on the basis of the"* concept of Human Potential Development"³⁸.

As a result of the implementation of the "State Program for the socio-economic development of the regions of the Republic of

³⁶ Law of the Republic of Azerbaijan on the budget for 2008 of the State Social Protection Fund of the Republic of Azerbaijan: [Electronic resource]/ approved on November 30, 2007 (amendments and additions dated May 2, 2008). - Single electronic database of legal acts of the Ministry of Justice of the Republic of Azerbaijan. URL: <http://e-ganun.az/framework/14294>

³⁷ Bagirov, F. The great celebration of the policy that ensures the success of Azerbaijan// Respublika. 2013, November 5. p. 3.

³⁸ "Approval of the State Program on Improving Living Conditions and Increasing Employment of Refugees and IDPs" Decree of the President of the Republic of Azerbaijan: [Electronic resource] / Approved on July 1, 2004. Ministry of Justice of the Republic of Azerbaijan Single electronic database of legal acts. URL: <http://www.e-ganun.az/framework/6261>

Azerbaijan in 2004-2008 and 2009-2013³⁹", large-scale projects were implemented for the reconstruction and construction of road infrastructure and highways connecting all regions and settlements of the country.

The second subsection is called "**Definition, analysis and assessment of the level of poverty and unemployment of the population in the Republic of Azerbaijan**". The main goal of the State Program was to determine the main directions in the field of social protection of unemployed citizens and jobseekers in 2004-2008, taking into account the current situation in the socio-economic development of the country and the labor market⁴⁰. The program was developed in accordance with the provisions of the "State Program for Poverty Reduction and Economic Development in the Republic of Azerbaijan for 2003-2005" and the commitments made by our country in connection with the European Social Charter. Here, the main focus was the organization of professional and specialized training for job seekers and unemployed citizens, retraining and advanced training courses within the employment service bodies, taking into account the requirements of the time. To this end, *"beginning from 2004, vocational and professional development courses, consulting services, labor exchanges and labor fairs were organized in various regions of the country"*⁴¹. All this proves once again that the social policy pursued by the Republic of Azerbaijan always focuses attention on all segments of the population, especially on low-income and unemployed groups of the population.

³⁹ History of the Republic of Azerbaijan: 2003-2016: [in 2 volumes]. Baku: Union of Historians of Azerbaijan, c. 2. 2016. 716 p.

⁴⁰ Republic of Azerbaijan on the approval of the "State Program for the financing of measures related to the social protection of the disabled in 2004" and the "State Program for the financing of measures related to the social protection of job seekers and unemployed citizens in 2004" Decision of the Cabinet of Ministers: [Electronic resource]/ approved on February 12, 2004. - Ministry of Justice of the Republic of Azerbaijan Unified Internet electronic database of normative legal acts. - URL: <http://www.e-ganun.az/framework/4897>

⁴¹ Report on the activities of the Cabinet of Ministers of the Republic of Azerbaijan in 2010. Baku: Azernashr, 2011. 508 p.

Taking into account the level of poverty and unemployment in the Republic of Azerbaijan, a number of decrees, orders and concepts, state programs have been adopted.

The second state program also focused on the employment issues. In this regard, the main task of employment policy is to eliminate the factors preventing the opening of new job places and create favorable conditions for the implementation of employment policy in a more practical form.

The second chapter of the dissertation is presented under the title "**The impact of the development of the oil and non-oil sector on socio-economic life**". The first subsection of this chapter is entitled "**Proper and efficient use of oil sector revenues**". The approach to the problem from the point of view of human development enables to assess poverty as a multifaceted social phenomenon. The problem of human development is also reflected in the UN MDGs. In general, human development means the ability of an individual to realize his potential to lead a decent life. It is from this point of view that it is characterized in the UN reports as IPII. The HDI is based on life expectancy, education level and GDP per capita, where indicators of a long and healthy life, knowledge and well-being are used as key elements.

Mr. Ilham Aliyev assessed the political course carried out as follows: *"My policy is to be engaged in practical work, attract foreign investment to Azerbaijan, and achieve the opening of new jobs. That's what politics should be like in my world"*⁴²

The oil funds were transferred to the Oil Fund in a very transparent form, managed and directed to various projects within the framework of the SOCAR budget, which is approved annually, as well as transferred from it to the state budget. *"The "Global Competitiveness Index" determined by the "Davos World Economic Forum of Azerbaijan" and reflected in the "Global Competitiveness*

⁴² Archive Department of the State Oil Company of the Republic of Azerbaijan. Fund No. 3, list No. 9

Report", was analyzed in comparison with the CIS countries ⁴³.

Based on these great successes, the President of the country, Mr. President Ilham Aliyev, said: *"Today, currency reserves of Azerbaijan is equal to 2 billion US dollars. This is a great asset. We use it to protect the national interests of the Azerbaijani people and strengthen our state"* ⁴⁴.

The State Oil Company of the Republic of Azerbaijan is one of the leading oil companies in the world. "Decree of the President of the Republic of Azerbaijan dated September 13, 1992, in order to develop the oil resources of the Republic of Azerbaijan on the basis of a unified state policy managed from one center, to improve the management of spheres, the State Oil Company of the Republic of Azerbaijan was established on the basis of the State Concern Azerineft and the production Association Azerineftkimya ⁴⁵.

Finally, it should be noted that oil revenues enrich the state budget of Azerbaijan. In a rich state, the problem of poverty and unemployment has been eliminated. Oil policy not only influences the formation of the country's foreign policy, but also shapes domestic social policy. The main goal of the oil policy, based on such principles since the time of our national leader, is to improve the financial well-being of the country's citizens and transfer it to future generations. All these issues form the main economic course of our state.

In the second subsection of the second chapter of the dissertation, the issues of **"The role of the non-oil sector in solving the problems of poverty and unemployment elimination"** are studied. It outlines that, as a result of the increase in the country's capital reserves, favorable conditions have been created for the implementation of targeted projects towards the development of other areas independent of oil.

⁴³ Archive Department of the State Oil Company of the Republic of Azerbaijan. Fund No. 3, list No. 9, 2006. 377 p.

⁴⁴ Aliyev, I. Development is our goal: [in 100 volumes]. Baku: Azernashr, c.6. 2011. p. 416

⁴⁵ Economy and oil: Ilham Aliyev's services in the realization of Heydar Aliyev's new oil strategy. Baku: Nurlan, 2004. 234 p.

In order to stimulate the development strategy of the non-oil sector, first of all, comprehensive measures should be implemented, appropriate economic mechanisms should be developed and implemented to effectively synthesize export-oriented and import-substituting development strategies.

It is necessary to objectively assess the export potential of the non-oil sector of Azerbaijan, increase the dynamics of foreign trade, pay attention to the characteristics of the dynamics and potential of individual export goods along with the structure of exports of the non-oil sector. In this sense, each business group, based on its own interests, regulates the activities of the relevant relations of economic behavior based on strategy.

*"It is planned to carry out the measures for creating a mechanism for state regulation of foreign trade activities in the non-oil sector, carry out certain reforms in the customs sphere, prepare appropriate regulatory legal acts, etc."*⁴⁶.

The development of tourism in Azerbaijan is planned according to the main directions of development of the socio-economic sphere. Such directions include, the assessment of financial resources brought to the country in the development of tourism, the development of entrepreneurship in the field of tourism, the influx of additional capital, the opening of new jobs, the development of regions, the development of production and services related to tourism, an increase in the number of local specialists in the field of tourism, in certain regions, in particular, in Nakhchivan, Guba, Absheron, Zagatala, Lankaran zones, the general development of tourism and improvement, We are talking about the social welfare of the population. The creation of rural tourism can provide both knowledge of rural nature, employment of the population, and the development of the village as a whole. This development, in addition to being an additional source of income for the rural population, plays an important role in solving socio-economic problems, contributes to the preservation of rural culture, and also, as a social

⁴⁶ Report on the activities of the Cabinet of Ministers of the Republic of Azerbaijan in 2010. Baku: Azernashr, 2011. p. 508

factor, prevents the migration of young people from remote villages to the city center in search of work. These issues are reflected in the state program, which will cover 2013-2020⁴⁷.

The presentation of Azerbaijan's tourism opportunities abroad, the development of infrastructure in this area, and the attraction of additional investments indicate the promising development of this sphere. The oil era, founded by national leader Heydar Aliyev, is yielding positive results, his worthy successor, Mr. Commander-in-Chief, continues with honor and, as already mentioned, turns from a state-owned ordinary oil exporter into a welfare state building its economy on sound fundamental principles.

The third chapter of the dissertation is called "**Social measures implemented towards elimination of poverty and unemployment in the Republic of Azerbaijan**".

The first subsection of the third chapter of the research work entitled "**Implementation of socio-economic measures to reduce poverty and solve the problem of unemployment**" is devoted to defining specific goals and objectives set by the state in order to achieve balanced and balanced socio-economic development.

As a result of the implementation of the first stage of the strategy entitled "Employment Strategy of the Republic of Azerbaijan (2006-2011)", covering the 2006-2010⁴⁸, the unemployment rate decreased and the quality of labor resources improved, the strength of competitiveness was increased, social protection of socially vulnerable groups of the population has

⁴⁷ Azerbaijan 2020: a vision of the future" Decree of the President of the Republic of Azerbaijan on the approval of the D Azerbaijan 2020: a vision of the future" Decree of development Concept: [Electronic resource]/ approved on December 29, 2012. - Single electronic database of legal acts of the Ministry of Justice of the Republic of Azerbaijan. - URL: <http://www.e-ganun.az/framework/25029>

⁴⁸Decree of the President of the Republic of Azerbaijan on the approval of the "State Program for the Implementation of the Employment Strategy of the Republic of Azerbaijan (2007-2010)": [Electronic resource]/ approved on May 15, 2007. - Single electronic database of legal acts of the Ministry of Justice of the Republic of Azerbaijan. - URL: <http://www.e-ganun.az/framework/13340>

improved, the economy has significantly strengthened, and favorable conditions for economic activity have been created.

The social policy carried out in the second stage included stimulating demand for labor, optimizing the business environment, strengthening socio-structural reforms and developing human capital at the highest level. In this regard, the main goals and objectives of the employment program for 2011-2015 mean macroeconomic policy and business development, as well as labor market regulation.

The expenditures of the State budget of the Republic of Azerbaijan for 2008 amounted to 4761,2 million manats for current expenses, 3673.8 million manats for capital expenditures and 83.9 million manats are expenses related to loans⁴⁹.

In 2011, by order of the President of the Republic of Azerbaijan, new additions and changes were made to the State Program. According to these additions and changes, "Relocation of 210 families of internally displaced persons from 2 dormitories of Baku State University to the village of Masazir in Absheron district, resettlement of 524 internally displaced families from 4 Naftalan sanatoriums to Goranboy region, 867 families of internally displaced persons from dormitories of vocational schools under the Ministry of Education of the Republic of Azerbaijan Resettlement of families of internally displaced persons to settlements and multi-storied buildings of Baku and Absheron districts, 519 families from Khojali region and 186 families from the Kalbajar region were relocated to settlements, and new buildings in Goygol and Goranboy regions, the realities of state guardianship can serve as an example⁵⁰".

The adoption of such government programs, the preparation of an action plan, and the adoption of projects is a very positive moment for us today. The adoption of such social development programs is a

⁴⁹ The Law of the Republic of Azerbaijan on the 2008 state budget of the Republic of Azerbaijan: [Electronic resource]/ approved on November 30, 2007.- Ministry of Justice of the Republic of Azerbaijan Single electronic database of legal acts. - URL: <http://www.e-ganun.az/framework/14293>

⁵⁰ Labor and social problems// - Baku: Collection of reports of the Ministry of Labor and Social Protection of the Population of the Republic of Azerbaijan, 2012. No. 3, p. 205.

remarkable phenomenon for a country that is developing day by day, like Azerbaijan. All these cases were solved thanks to the constant attention of the head of state to the problem of refugees and internally displaced persons. Major repair and construction works have been carried out in the cities of Baku and Sumgait in places of compact residence of internally displaced persons - dormitories, public buildings, sanatoriums and other catering facilities, and these measures have been carried out at the expense of financial resources.

As a result of all these measures, it is very positive that *"the poverty rate among internally displaced persons has decreased from 74% to 25%, and in 2010 the State Oil Fund allocated 105 million manats finding to improve the living conditions of internally displaced persons"*.⁵¹ This demonstrates the great care of the Azerbaijan state for its citizens.

The second subsection of the third chapter of the dissertation is called **"Strengthening social protection of the population"**.

The social protection system defines and characterizes the conditions and standard of living of each State, and when we talk about this system, we note that socio-economic measures implemented in this direction are more likely to meet the urgent vital needs of unemployed people who have lost their ability to work or for other objective reasons, and their families. This is more relevant for those classes that cannot meet their needs.

National leader H. Aliyev has repeatedly stated in his speeches that *"we must think about ways to prevent unemployment together with the relevant state bodies, send the unemployed population to new jobs by organizing additional vocational training for them and thereby we have to try achieving partial solution of the employment problem"*⁵².

After the adoption of the law on "Insurance Activities" on

⁵¹ Collection of reports of the Ministry of Social Protection, 2012. No. 3, 205 p. New jobs. Baku: Statistical collection of the State Statistics Committee of the Republic of Azerbaijan, 2010. April, p. 280.

⁵² Aliyev H. Our independence is eternal: [in 46 volumes]. Baku: Azernashr, c. 21. 2007. p. 480.

December 27, 2007, certain improvements were made to the regulation of the insurance work⁵³. For example, one of these issues is related to compulsory health insurance.

The issues of social assistance and insurance being addressed also concern low-income families. From this point of view, it should be emphasized that insurance premiums for compulsory insurance of residential buildings and apartments belonging to low-income families eligible for targeted state social assistance are paid at the expense of financial resources allocated from the state budget in accordance with the procedure determined by the relevant executive authority responsible for this area. Taking into account the above, President Ilham Aliyev said that a "new period for Azerbaijan" has begun⁵⁴.

The main regulating subject on the issue of strengthening social protection of the population is a state. Here, the state plays a very important role here as the main factor. Ensuring employment of the population, reducing unemployment, strengthening social protection for the unemployed, creating jobs for low-income people and people who need social protection more are the main directions of the basic social policy of the state. In the "Conclusion" part of the dissertation, the main conclusions made during the research are systematized and summarized. The conducted research on the topic allows us to formulate the following conclusions:

- in many countries of the world there is a problem of poverty and unemployment, the study of the experience of its elimination should become an everyday issue, and this also means compliance by the state with international obligations to protect human rights [11].

- The participation and investments of large foreign companies in the field of oil production in Azerbaijan are sufficient. It would be

⁵³ Law of the Republic of Azerbaijan on insurance activity: [Electronic resource]/ approved on December 25, 2007. - Single electronic database of legal acts of the Ministry of Justice of the Republic of Azerbaijan. URL: <http://www.e-ganun.az/framework/13983>

⁵⁴ Atakishiyev M. Azerbaijan 2020: problems of national economic development and efficient growth. Baku: Vergi journal, 2012. No. 2, p. 135-146.

very positive if small and medium-sized enterprises were further developed in the non-oil sector, subsidies would increase, poverty and unemployment would decrease [3].

- Attention should be paid to the creation of agriculture, which has a special role in the development of food supply, with new agrotechnical rules, preferential loans should be provided and insured to farmers, entrepreneurs and private farms, job seekers should be provided with jobs. [9].

- The needs of regions suffering from water supply should be eliminated in a timely manner so that neither farms nor the population are affected [15].

- the human factor should be taken as a basis in the adopted long-term State programs and the main part of the income received by the state should be directed to increasing wages and pensions, improving the social and living situation of citizens, education and recreation in general, so that a citizen should feel that his Homeland and the state always take care of him, he should feel proud [1].

- In addition to appreciating the work done in the field of education and healthcare, this area itself requires constant attention. Because education and healthcare are a constantly developing and changing area of the world and need to be provided with professional staff [6].

-Paying attention to the constant supply of new technology to industries that play a key role in the economic development of our country, the strengthening of the defense system, and its integration into the world market [18].

- In accordance with the requirements of market relations, it should be one of the important factors to ensure the supply of production enterprises with new technology, to increase the number of local production areas working with local raw materials, and to allow foreign investors as much as necessary, to be carefully maintained [5].

- Financial support should be provided to the creation of infrastructure in the regions in order to prevent the migration of people from rural regions to cities, to create macro-stability for the unemployed and job seekers, and to open new jobs [10].

The main content of the dissertation is reflected in the following published scientific works of the author:

1. Adigozelova G.R. "Social-social situation and social work with the elderly in Azerbaijan in 1993-2003". Scientific news of Sumgait State University: Department of social and humanitarian sciences, Sumgait, 2015, No. 3, p. 47-52.
2. Adigozelova G.R. "Problems of reducing poverty and unemployment in the Republic of Azerbaijan in 2004-2014". The materials of the 21ST Republican scientific conference of doctoral students and young researchers, Baku-2017, p. 3-4
3. Adigozelova G.R. "Impact of the unemployment problem on the youth policy in the Republic of Azerbaijan// - Lankaran: Scientific news of Lankaran State University, - 2018. No. 2, - p. 15-19.
4. Adigozelova G.R. "Directions for solving the unemployment problem in the Republic of Azerbaijan: 2004-2014// - Baku: State Administration, - 2018. No. 3, - p. 277-282.
5. Adigozelova G.R. "Economic and social problems of IDPs in the Republic of Azerbaijan and their solution directions (2004-2014)" - Baku: Scientific news of Baku State University, - 2018. No. 3, - p. 142-147.
6. Adigozelova G.R. "Successful socio-economic policy of national leader Heydar Aliyev in the direction of solving the problems of poverty and unemployment in the Republic of Azerbaijan" // The materials of the Republican scientific conference called "Heydar Aliyev is the architect of Azerbaijan's statehood", - Sumgait: Sumgait State University, - 2018, - p. 72.
7. Adigozelova G.R. "Actions taken by the state of Azerbaijan to eliminate poverty and unemployment". The materials of the 22nd Republican scientific conference of doctoral students and young researchers, Baku. 2018, 20-21
8. Adigozelova G.R. "Role of tourism in the socio-economic development of the Republic of Azerbaijan// - Baku: History and its problems, - 2018. No., - p. 245-246.
9. Adigozelova G.R. "Formation of agrarian sector and entrepreneurial environment in the direction of elimination of

- poverty and unemployment problems in the Republic of Azerbaijan: 2004-2014”. The materials of the International Scientific Conference "II International Turkic World Educational and Social Sciences", Ankara, 2018, p. 881-888.
10. Adigozelova G.R. “Socio-economic measures implemented in the Republic of Azerbaijan, a developed state of the South Caucasus: food security issue (2004-2014)”. The materials of the international scientific conference “Interstate relations in the Caucasus: 100 years ago and modern times” dedicated to the 100th anniversary of the Azerbaijan Democratic Republic, - Baku: Institute of Caucasian studies of ANAS- 2018. - s. 24-28.
 11. Adigozelova G.R. “New oil projects and rational use of income from them in the social and economic development of the population (2004-2014)”. Grani: scientific and theoretical almanac by Dnipropetrovsk National University named after Olesya Honchar, Dnibr-2018, No. 8, p. 62-67.
 12. Adigozelova G.R. “Directions for solving the problems of poverty and unemployment in the Republic of Azerbaijan (2004-2014)”. The fifth All- Russian (with international participation) historical-ethnographic reading dedicated to the memory of Professor Magomedov Rasul Magomedovich. SB. Articles, Makhachkala-2018, p. 27-30.
 13. Adigozelova G.R. “Socio-economic measures implemented in the Republic of Azerbaijan - solutions to the issue of food security (2004-2014)”. International journal of Turkic world studies, Ankara. 2019, No. 3 p. 32-38.
 14. Adigozelova G.R. “Heydar Aliyev and oil resources of the Republic of Azerbaijan”. The materials of the Republican scientific conference "Modern problems of geography", Sumgait-2019, p. 145-148
 15. Adigozelova G.R. “Social and economic measures taken in the direction of reducing poverty in Azerbaijan”. Voprosi istorii, Moscow, 2020, N 3 p. 100-106
 16. Adigozelova G.R. “The role of the non-oil sector in the direction of eliminating poverty and unemployment in the Republic of Azerbaijan (2004-2014)” // - Baku: Geostrategiya, - 2020. No. 1,

- p. 117-122.

17. Adigozelova G.R. "Heydar Aliyev as the creator of political and social stability". The materials of the Republican scientific conference "Republic of Azerbaijan 1991-2021: restoration of state independence, economic and social cultural development", Sumgait-2021, p. 234-236.
18. Adigozelova G.R. "Historical aspects of the establishment of the social protection system in the protection of the rights of low-income families in the Republic of Azerbaijan". He 2nd International Economy and Business Symposium, Gaziantep, Turkey-2021, p. 246-248.

The dissertation defense will be held at the meeting of the ED 2.20 Dissertation Council operating under Baku State University "24" on 02 2024 at 14:00

Address: 23, Z.Khalilov street, Baku city, AZ 1143.

The dissertation can be obtained in the Scientific library of BSU.

Electronic versions of the dissertation and abstract were placed on the official website of Baku State University (_____).

The abstract was sent to the concerned parties on 16.01.2024.

Signed for print: 08.01.2024

Paper format: 60x84 1/16

Volume: 31866

Circulation: 100