

World Economy And Sustainable Political-Economic Welfare Of Azerbaijan

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Abstract

The article examines the model of development of human well-being in the world economic system of Azerbaijan in the context of increasing political and economic relations between the states in the modern world. In this regard, the current state and prospects of cooperation in the field of economic, political relations and cooperation between the states, mutual economy, finance, organization of human welfare and human resources were studied. At the same time, political and economic proposals were made to eliminate the existing problems.

Keywords: Economic Diplomacy, Foreign Investment, Economic Policy, Human Welfare, Sustainable Development, Economic Realities

INTRODUCTION

In the modern world, it is important to eliminate actions that are politically and economically developing, as well as actions that can create dependence on economically developed countries, and unambiguous foreign influences on human well-being.

At the same time, economic well-being makes it necessary to add a new quality based on the economic policy formulated in relation to foreign direct investment (FDI). Of course, among these quality features, increasing the attractiveness of the national economy for FDI, increasing and supporting the confidence of young people in education from modern technology at the macro level in the short and medium term is a requirement of political and economic reality.

Thus, the essence of economic policy is human welfare, as the President of Azerbaijan said at a meeting on January 13, 2020: Positive processes in the socio-economic sphere and improving the welfare of citizens is a priority for us.

Sustainable human well-being in foreign economic relations.

Research shows that in the examples accepted as successful practices in the relevant field in the world, it is in the growth of macroeconomic policy and the sustainable implementation of economic measures should be based on human well-being.

Thus, the essence of ensuring the process of economic development of foreign direct investment is to achieve sustainable human welfare over national economies.

Of course, the above is necessary in terms of the attractiveness of foreign capital, ensuring economic development, maintaining the competitiveness of the national economy and international positions. One of the main ideas of political economy is to attract new technologies to the country and create the necessary effect on the development of human capital. As noted, the stability created in the current economic policy is the basis of sustainable economic success and human well-being. Thus, the application of a wide range of political and economic measures to accelerate international foreign economic relations stems from the existing economic realities.

Also, macroeconomic and policy measures applied to attract foreign capital to the country can be implemented with different goals, depending on the current situation. In this regard, the data of the UN Conference on Trade and Development "UNCTAD" show that the changes in investment policy since 2001 have been mainly aimed at promoting and liberalizing foreign investment.

Thus, commenting on the scientific article by Mehman Ismayilov, Azerbaijani-Italian economic cooperation continues on a new level, he noted that the regular visits of heads of state between the two countries are a clear example of the development of relations in economic, political, cultural and other spheres.

As the political and economic relations between the two countries strengthen, a comprehensive basis for the development of cooperation in economic, cultural, trade and other fields is emerging.

In this sense, the ever-expanding political and economic ties between Azerbaijan and Italy are an impetus for

comprehensive cooperation and sustainable human development. Italy is more of a political, economic and trade partner of Azerbaijan.

At the same time, Italy is an active supporter of Azerbaijan in strengthening cooperation with the European Union and NATO (People's Newspaper, 7).

At the same time, the "Joint Declaration on Strengthening the Political and Economic Multilateral Strategic Partnership between the Republic of Azerbaijan and the Italian Republic" adopted by the leaders of the countries is of exceptional political and economic significance.

Of course, this important and historically significant art is characterized by the fact that political and economic cooperation between Azerbaijan and Italy, as well as with all countries, is a support for sustainable civil welfare

Thus, Italy is an important trade and export partner of our country, the seventh largest economy in the world and the country of the "Big Seven".

According to official figures, the trade turnover between the two countries in 2019 amounted to \$ 6 billion, which is equal to 18.4 percent of the country's foreign trade turnover.

That's At the same time, Azerbaijan accounted for 92% of Italy's trade turnover with the countries of the South Caucasus and became the largest exporter of crude oil from our country to Italy for about 15 years.

Also, economic cooperation between the two countries in the field of energy has been sustainable.

According to scientific analysis, 17% of oil consumed in Italy fell to our country, while in other areas this figure was \$ 700 million and about \$ 10 billion was signed with Italian companies related to energy projects.

Thus, in the essence and political-economic context that determines the attractiveness of the national economy for foreign direct investment, Italy has invested more than \$ 578 million in the Azerbaijani economy, and Azerbaijan has invested \$ 149 million in Italy.

However, the scientific analysis of political and economic relations with other countries also suggests that all economic relations and investment policy are to contribute to economic growth and to promote civic welfare and sustainable economic development in attracting young people to public education. In this sense, of course, in the new programming to ensure civic satisfaction, protection of class equality, prevention of isolation of the middle class and so-called people from society, the supremacy of civil rights, high wages, job creation, all measures to increase employment, education of children are considered necessary conditions.

However, it should be noted that most of the historical figures, conquerors and commanders in their time addressed the youth. In this sense, our National Leader Heydar Aliyev said, "Youth is our future, we will entrust the fate of independent Azerbaijan to you in the future, therefore, be ready to live and develop Azerbaijan, the Azerbaijani state!"

In general, the basis of the youth policy pursued by National Leader Heydar Aliyev is to increase the role of youth in protecting our national moral values, to educate the younger generation in the spirit of patriotism and to implement a serious educational policy to increase the scientific and intellectual potential of youth.

Thus, the state youth policy formed on the basis of the principles created by the National Leader has been continued and implemented since 2003 by his worthy successor, President Ilham Aliyev. One of the important tasks in the implementation of state youth policy is to show confidence in the new generation, to promote them to responsible positions, management structures, to create conditions for demonstrating their knowledge and skills, to ensure their active participation in state building and socio-political processes.

President Ilham Aliyev is always interested in the problems of young people, who make up about 30 percent of the population, meets with them regularly, pays special attention to the comprehensive development of youth, increasing the role of this group in the country's socio-political, socio-cultural life. tries to make them more active.

We also believe that one of the main criteria for progress in human development is the involvement of young people in general education and higher education, which characterizes the existence of economic policy of the state.

Thus, based on the experience of different countries, it is argued that the level of public confidence in economic rights and the level of investment and financial growth is a progressive condition for sustainable human well-being. Thus, the reduction of inequality in the context of internal political and economic stability, the development from recession to prosperity is based on the comprehensiveness of qualitative changes in all areas.

Thus, the political and economic level of the modern world is due to the fact that the Chinese state has a nuclear position, a strong position in the regional and world economy, as a state rich in strong financial resources. On the other hand, the joint activities of different oil-exporting countries highlight the contradictions in geoeconomic development. In the world economy, Japan was sometimes seen as part of the West in the Far East. This creates a need for innovation in the policies of leading countries in the international economy.

However, the existing geoeconomic issues still seem to be resolved at the European-American level. Of course, in such a stratification, it is possible to determine the source of the threat to world economic development.

However, we believe that GDP growth in the world is a necessity of the existing political and economic realities.

Thus, according to the forecast of the US International Finance Institute (IFI), world GDP growth is forecasted this year (taymis.az). Thus, this year's forecasts for GDP growth in the United States will range from 3% to 3.3%, while the forecast for economic growth in China There was a decrease from 5.5% to 3%.

It should be noted that in the modern world, the serious difficulties in procurement have led to certain complications in the economic sphere due to the spread of the coronavirus and measures to combat it. In this context, Azerbaijan is once again focusing on the government, which regulates supply and demand in currency centers, maintaining the stability of the manat, keeping inflation in mind, the basis of economic measures to recover the country's economy from the effects of the coronavirus and the global crisis with minimal losses.

At the same time, I would like to reiterate that the value of the damage done to the country should not be compared with any devastating event.

Thus, despite the fact that the success of the Ministry of Education in recent years has softened the situation, the events necessitate a new approach to education, which has created a solid basis for raising the certificate grades in the current year's admission rules.

However, despite the political, economic and social turmoil, scientific analysis suggests that the world economy will grow from 5.6% to 9% last year.

Thus, in some countries, monetary policy should be relaxed, and the recent decision of the Federal Reserve to reduce the basic interest rate in the financial sector was condemned, predicting that such wrong political and economic measures could lead to negative trends in national currency reserves.

Thus, the national currency is sufficient to carry out political and economic measures from the world's financial resources without creating any obstacles or undermining sustainable development.

At the same time, in terms of the experience of increasing the attractiveness of the national economy in the political and economic sphere, foreign direct investment can ensure sustainable human development or increase welfare as a result of macro and micro political and economic measures in some countries.

Thus, in modern conditions, increasing transparency in macroeconomic stability by activating economic liberalism in the world economy, the application of sustainable liberal legal regulations, investment in human capital, etc. It is one of the important conditions for attracting foreign investment to the country.

However, the negative correlation between real wage levels and investment, as noted in a number of studies, should in some cases not have a negative impact on human well-being in political, economic and social matters.

Thus, it is possible to create favorable conditions for human well-being through the existing political and economic measures to attract foreign investors to the country, the provision of commercial and trade relations in import-production issues, the effective use of export activity.

Thus, the assessments conducted by the Organization for Economic Cooperation and Development state that the tax rates of the international foreign economy should be more sensitive and the welfare of people in the political and economic spheres should be strengthened with the gradual removal of non-tax restrictions.

For this reason, in our opinion, the intensity of various political and economic measures can be considered necessary only in terms of accelerating the existing process of sustainable economic development.

However, a comparative analysis of the benefits and harms of increasing the tax and other benefits through political and economic measures, such as the national currency exchange rate, the employment concept, and the potential impacts on indicators such as public finance and debt service, is essential for macroeconomic stability.

Thus, comparing the economic situation of some countries with the economic situation of our republic with official figures, it is clear that for 16 years the economy has grown compared to other countries.

Thus, in the context of increasing negative effects on the global economy, the country's economy has achieved 3.4 times sustainable development over 16 years, which is also acceptable for human well-being.

It should be noted that the main direction of the political and economic measures implemented by the state is aimed at improving the welfare of the population, ensuring social protection and a decent standard of living.

In fact, as noted by the President, socio-economic policy will be continued, pensions and benefits will be increased. Over the years, these successes have been achieved in the economic sphere, salaries and pensions in the social sphere more than ten times.

However, a comparison of statistics shows that the global financial crisis, which began in 2014, has affected the world economy and the impact of the financial crisis is more resilient than the crisis period.

As in previous years, the positive development dynamics in 2020 continues. Thus, in January-February, non-oil GDP increased by 6.7% and GDP by 2.8%. Oil market and globe

There is a high level of financial resistance and security balance of the country's economy against the events in the economy. According to the results of 2019, our strategic foreign exchange reserves exceed 100% of GDP, foreign exchange reserves exceed foreign debt by 6 times.

There are potential opportunities to take the necessary measures to maintain stability in the foreign exchange market and the exchange rate of the manat. Measures in both monetary and other areas of economic policy are expected to keep inflation at the target level.

At the same time, strengthening the financial sustainability of the state budget and directing it to sustainable human welfare, of course, creates satisfaction in the socio-economic sphere. Thus, the expenditures of the state budget for 2020, as well as the full and timely implementation of all social projects and commitments in focus, were noted, and the non-postponement of any socio-economic projects is a sign of citizen satisfaction.

Of course, it should be noted that keeping the manat stable is important to further strengthen the results of socio-economic measures implemented in 2019. The Government of Azerbaijan has identified areas for full implementation of the state budget, cost optimization and efficient use.

However, it is clear from the above-mentioned scientific comments that the state's political and economic measures seem to be more interested in ensuring sustainable human welfare, maintaining existing jobs and creating new ones.

Therefore, the measures taken to increase the attraction of new investments in the country should be calculated mainly to ensure the sustainability of economic growth.

Thus, targeted social assistance, public works, self-employment and full implementation of social projects are typical. In this regard, the analysis shows that the social expenditures of the current year's state budget are projected at 10.5 billion manat, which is 2.5 billion manat or 33.9 percent more than last year.

Thus, by focusing on the ongoing processes in the world economy, it has preventive action plans to neutralize the negative effects of negative economic trends on the country's economy.

However, we believe that the results of the broad picture of the political and economic life of our country in foreign economic relations give grounds to emphasize once again that the economic measures taken in our country for the sustainability of human welfare and certain positive results have laid a solid foundation for the future of our country. created trust.

Thus, the implementation of the President's order on additional measures for socio-economic development of the regions in Azerbaijan will stimulate the creation of new enterprises, jobs in the country and, consequently, increase employment and reduce poverty, approved decisions of the State Program of socio-economic development in 2019-2023. is one of the foundations of sustainable human well-being.

The real picture of the modern world economy and sustainable human well-being

The fact that countries interact with each other in the modern world economy has different results, which is the focus of scientific analysts in the world. In the modern international economic system, mainly industrialized countries and their transnational companies play a leading role. The nation-states, which are the main subjects of the world economy, are, in fact, somewhat suppressed, and more opportunities have been created for industrialized countries and, to some extent, middle-income countries.

However, as is well known in the world's political and economic relations and cooperation, there have been polarizations.

Thus, the European Commission and the European Union (EU) High Representative for Foreign Affairs and Security Policy have developed platforms for the future of the Eastern Partnership.

In addition to the presentations of the EU and the Eastern Partnership countries, civil society activists, think tanks, international institutions, etc. is based on a package of more than 200 proposals submitted by them on the platform. Of course, the Eastern Partnership countries aim to intensify political and economic relations with member countries starting in 2020, covering long-term political goals. Thus, the main goal is to increase trade relations with Azerbaijan, Armenia, Belarus, Georgia, Moldova and Ukraine, strengthen political and economic ties and deepen economic integration, strengthen democratic institutions, environmental and climate sustainability, support digital transformation and promote justice.

In the geopolitical situation of modern world economic relations "The main goal of the Eastern Partnership for 2020 can be considered a new approach to ensuring common human well-being. Thus, in order to achieve substantial results in geopolitical relations, joint goals related to

ensuring civic satisfaction, strong economic progress, and improving human well-being must be taken into account in three important areas.

At the same time, in the development of world economic relations, the "Eastern Partnership" is characterized by the continuation of the establishment of joint ventures based on democracy, prosperity, stability and common values. Thus, the expansion of the global leadership of the Eastern Partnership countries in the field of human rights and democracy in world economic relations and their strategic

interest in these areas is a characteristic feature of geopolitical realities. Thus, in the world's political and economic relations, sustainable human well-being, respect for human rights, are the priority areas of inclusive and democratic societies. Thus, the existing goals are based on the rule of law, protection of human rights, joint fight against corruption and discrimination, and increasing the role of civil society. Thus, the table below classifies the real picture of the modern world economy and sustainable human well-being.



Figure 1: the economic and geopolitical landscape of the modern world

As can be seen, the economic and geopolitical landscape of the modern world, although global in nature, was formed on the basis of human progress, based on the principles of supply and demand, the subjective and objective aspects of the international division of labor.

Thus, economic progress is based on the internationalization of production and constitutes the sum of the national economies, which are interconnected and interdependent, participating in world economic relations and the international division of labor.

It is important to pay attention to the main issues and perspectives in the development of the international economy in the study of modern world economic relations.

At present, a number of opportunities for economic progress are observed in the development of the world economy. Understanding the essence of "Human Welfare in the World Economy" and "Socio-Economic Progress" in the development of the world economy, its formation is considered an undeniable process.

Thus, it follows from the above that regardless of the negative economic processes in the world and the consequences of geopolitics, the Azerbaijani economy is stable, the economy is developing, the country's inclinations are expanding. Of course, this is reflected in the official figures published by the State Customs Committee. Thus, according to the State Customs Committee, the trade turnover with Azerbaijan (EU) in January-February this year amounted to 2,440,645.2 thousand US dollars, which is 90,268.8 compared to the same period in 2019. thousand

dollars or 3.6%. Also, compared to the same period in 2019, the volume of exports decreased by 5% to \$ 2,091,531.5 thousand, and the volume of imports increased by 5.9% to \$ 349,213.8 thousand. In the first months of this year, a positive trade balance of \$ 1,742,317.7 thousand was formed, which is \$ 128,964.8 thousand or 6.79% compared to the same period in 2019.

In addition, socio-economic indicators, real GDP per capita, distribution of gross domestic product per capita, net national income, household growth rate, research and development expenditures, real effective exchange rate, turnover of innovations, energy capacity of the economy, The level of employment reflects the expansion of economic activities.

At the same time, socio-economic indicators should be reflected not only in numbers, but also in people's daily lives, and economic progress is formed as a result of strong socio-economic policies. In this regard, President Ilham Aliyev noted that the social sphere is a priority for us and has always been in the spotlight, and today it is in the spotlight, we direct almost the entire amount of our additional income to the social sphere. Of course, the views of the head of state on socio-economic policy and the analysis of official figures are considered a priority direction to achieve sustainable human welfare, which is the basis of socio-economic policy.

According to the UN Development Programme's Human Development Index, Azerbaijan was excluded from the "middle human development" group of countries in connection with the above-mentioned issues at the recent

High-Level Political Forum on Sustainable Development held at the UN Headquarters in New York. Inclusion in the category of countries is a manifestation of the political focus on sustainable human well-being.

The Real Economic Landscape

The theory of comparative advantage is based on the efficient use of the potential of both regions, taking into account the basic criteria, the need for local products in each region. It is necessary to increase the production of horses and ensure sustainable industrialization. It is also typical to ensure financial regulation in accordance with the criteria of economic security and the establishment of direct and joint ventures with foreign capital in the relevant regions.

However, some banking networks in the country have created artificial problems for the benefit of the population. There are various reasons why the situation in this area is not at the desired level. It is known from world experience that banks use various methods or manipulations to increase the efficiency and profitability of their activities. In Azerbaijan, on the other hand, with the exception of certain banks, others want to make high profits by extorting, inflating interest rates and manipulating customers. Of course, this has no basis and no prospects. Thus, banks operating on such principles must undergo rehabilitation procedures. Otherwise, such banks will not be able to operate effectively. The more the government is able to take action against negative developments in the country, the more stability there is. Thus, the impact of the global economic and financial crisis on the country's economy has weakened the solvency of a certain group of the population, which has led to problems with overdue loans to the bank and the fulfillment of these obligations. However, the situation with "problem" loans in some banking networks continues. Of course, these issues are incompatible with the existing economic realities, create an undesirable economic situation in the country, and jeopardize the economic security of our state.

To regulate these issues, the decree of President Ilham Aliyev dated February 28, 2019 states that improving the welfare of the population, ensuring social protection and a decent standard of living in the Republic of Azerbaijan is one of the priorities of the concept of socio-economic development. The measures taken in this direction, the implemented economic and institutional reforms are showing positive results in improving the living standards of citizens, increasing employment and income through the creation of new jobs, and further reducing poverty.

This order was a decision taken to save the country's population from the massive banking trap due to the existing economic realities. At the same time, this decision provided for the elimination of possible impacts on the economic stability of the country in the current situation, the protection of the social welfare of the population and ensuring the sustainability of economic development.

As you mentioned, one of the important directions of the very large package of social reforms implemented last year was pensions. As a result of the 72% increase in the minimum pension in the country, there was a significant increase in the pensions of 660,000 retirees, and Azerbaijan ranked first in the CIS in terms of the purchasing power of the minimum pension. In addition, due to salary increases, the pensions of 90,000 of our retirees who received pensions on special terms increased by an average of 31 percent, which allowed last year's package to cover 750,000 people.

On the other hand, this year, as a continuation of social reforms, all pensions were indexed by 16.6 percent by the Order signed by you. As a result, the average monthly pension for all pensions in Azerbaijan was over 300 manat. When we receive an old-age pension, our expectation is that the average monthly pension will reach 350 manat. This, of course, is a large-scale social campaign conducted under your leadership and initiative in the last 2-3 years

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