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THE ROLE OF THE HIGHER EDUCATION SYSTEM IN ECONOMIC DEVELOPMENT

Summary

As it is known, the formation and development of any nation and state, building its future on strong foundations is significantly related to the achievements made in the education system. The human potential formed as a result of the development of education, in other words, human capital, occupies a very important place in increasing the economic and social well-being of countries. Education, especially higher education, is one of the most important means for people to acquire sufficient knowledge and skills and find their place in society. Higher education, by presenting the formed human capital to the society, increases social well-being, and also provides individual well-being by raising the income level of people. It is because of these benefits that higher education brings to society and individuals that the demand for it in the world continues to grow rapidly.

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Intradaction

If we look at history, we will see that all nations have gone through difficult paths for education and enlightenment. Once upon a time, simply being able to read and write was considered a great success, and every nation fought a real struggle to name its era of illiteracy. This required strict social conditions, a generation of teachers and a network of educational structures. Also, each nation has progressed in this field at very different times. Sometimes there was a difference of 100 years. But now the goal for all mankind is the same: to achieve an educational system that meets the requirements of the modern era, to build scientific and educational institutions, to have vocational and specialized schools. Although conditions and opportunities differ, everyone strives for the highest standards. There are indeed historical differences, but you can't just sit back and agree with them, because you have to be a part of the world ahead despite all the difficulties. This is the demand of our time. After all, education now starts not only with the work of educated people, but being able to train high-

level personnel is not the ultimate goal. As a final result, education should play its unique role in the spiritual, economic and social development of the country. It is a role that cannot be replaced by anything.

Azerbaijan has made the right choice even though it has experienced the young period of its second independence. We understand that it is difficult to achieve dynamic development without having education in accordance with the requirements of the new era. Since the head of the country chose this necessity as a target, he adopted the "State Program for the Education of Azerbaijani Youth in Foreign Countries in 2007-2015". The meaning of this great program is that we want to build our education according to the new requirements, and we have a clear strategy for this, and we have no doubt that it will be a successful result. But time does not wait - our economic and social development requires the presence and increase of highly trained professionals who meet the standards accepted by the whole world.

Because education now does not just mean educating educated people, it has an unequivocal



role in the development of the country's economy. We have come to an era of completely new concepts about education. Take the term "human capital" for example. This is to see education itself as an economic investment. Also, it is not intended to invest in some educational institutions and turn it into an economic sector. Human capital is an investment in the economy in general and the economic development of the country. Education is no longer enough for spiritual and cultural development, it acts as a factor of economic development and social progress. Without it, consistent and irreversible economic progress is impossible.

One of the important aspects of the sustainable economic development of Azerbaijan is the development of human capital and human potential as a whole. Economic growth rates are determined by the rapid progress of innovation processes, which, in turn, depends on some factors. These factors include the development of priority areas of science and technology, the innovative orientation of employees at all levels of enterprises and organizations, as well as the use of competitive, progressive tools, etc. belongs to. Currently, human capital, which is more popular from a scientific point of view, is the most valuable resource of society, which is even more important than natural resources and wealth. Education has a decisive role in the formation of human capital. Today, education is an important factor in the success of the economic entity in the labor market, the economic growth of the country and increasing the scientific and technical potential [2].

Thus, it is possible to connect success in people's lives with education. This is the basis for the fact that the number of people receiving higher and secondary education in our country, as well as the number of those receiving education in foreign countries, is increasing year by year. This increase indicates the professional advancement and high training of the young generation. It goes without saying that the quality of education directly affects our national prospects. As for the number of people working in the field of education in Azerbaijan, in 2014-2015, the number of professors and teachers in

state and non-state higher education institutions was 15,023. 1166 of them are Doctor of Sciences, and 5828 are Doctor of Philosophy. In 2015-2016, the number of professors and teachers was 14,550, the number of doctors of science - 1,229, and the number of doctors of philosophy was 5,957. Although there was a decrease in the total number of professors and teaching staff, the number of those with a scientific degree increased by 192 people, i.e. by 2.7%, compared to the previous academic year [1]. This means that the scientific potential of the Azerbaijani people has always been and is developing, that is, the interest in science is increasing. This comes from the attention and care directed to the field of science. A clear example of this is the reflection of the section on the development of human capital in the "Main directions of the Strategic Roadmaps for the main sectors of the national economy and the economy" adopted by the Decree of the Honorable President Mr. Ilham Aliyev [7].

Now we are not only talking about the importance of knowledge, in our time there is even a separate knowledge economy. The role of knowledge has changed and grown. Knowledge constantly creates innovations and new products. Knowledge in general means new solutions and applications, which has given way to the knowledge economy, which now covers various segments from software writing to genetic engineering and has a special weight in the economy of many countries. It is possible to see representatives of the knowledge economy among the world's largest companies and rich people. Not only Bill Gates is meant, nor the business successes of the founders of Apple, Google, Facebook. Useful and successful works and various activities in this area constitute a large economic segment.

The direct and direct impact of education on economic development is already becoming statistics and indicators. Therefore, it would be quite wrong to look at the "2007-2015 State Program for the Education of Azerbaijani Youth Abroad" as an aid only to citizens studying abroad. Mr. President views this program as an investment in the country's development, future, and strengthening of our economy. This investment is not limited to the people who

benefit from that program. This important state program is also a support for a person who does not receive any support from it, it is also for his benefit. That is, as we said above, it covers the entire country and the people, and it is not only aimed at 2007-2015, but it is an invaluable and valuable preparation for our future as a whole.

On October 24, 2013, the President of the Republic of Azerbaijan, Honorable Ilham Aliyev, approved the "State Strategy for the Development of Education in the Republic of Azerbaijan". The introduction of this important document states: "The next strategic task facing the country is to ensure sustainable economic development and raise the standard of living of the population through further modernization of socio-economic life and adaptation to advanced international practice. Modernization, first of all, is the use of advanced technologies and management methods, It is related to the successful application of innovations created on the basis of scientific achievements to the socio-economic life of the country. In addition to accelerating the integration of the country's economy into the world economy, the development of human capital in the country, the acquisition of modern knowledge and skills, and the successful integration of the economy into the global system and is one of the most important conditions in the process of the country benefiting more effectively from international competition, and constitutes the main task of the country's education system".

If we pay attention, we see that the head of the country sets clear tasks and defines a precise strategy:

- Socio-economic modernization;
- Adapting to international experience;
- To acquire advanced technology and scientific achievements;
- Development of human capital and improvement of individual's knowledge and skills.

These are considered as a condition of sustainable and strong economic development.

It should be noted that this approach covers the path taken by the most advanced countries. Azerbaijan has taken exactly this path. The role of education in sustainable economic growth is now at the top of the world's agenda. Decisions

made at many international events in recent years prove this.

In 1992, the international summit "Development and environment" of the UN was held in Rio de Janeiro (Brazil), where the heads of state and government agreed that education is a decisive factor for development. In 2002, at the summit held in Johannesburg (CAR), it was decided that education in the field of sustainable development should be one of the main priorities, and as a result, the UN announced the decade of education for sustainable development covering the years 2005-2014. Undoubtedly, initiatives in this field will continue. This shows that our country made the right choice and successfully built its own strategy. We continue international cooperation in this field, we are not satisfied with participation in prestigious and useful events and summits, we study advanced practices and exchange our own experience.

Experts have calculated that 90% of the knowledge achieved by mankind was created by our contemporaries in the last 30 years. There is so much momentum in this field that the right strategy is essential to keep up with it. In advanced countries, the expenses and investments allocated to education and science have been increasing again in recent years. The investment in education is reflected in the growth of the Gross Domestic Product of those countries. For example, the share of education spending in GDP in the United States has doubled in the 20th century, and as a result, the United States has become one of the world's largest economic powers. It is also a fact that the countries with the best universities have the most sustainable and stable economic development rate. The role of education in economic development is no longer disputed. Successful indicators of this field are also taken as factors and indicators of economic development. For example, today Japan boasts that 55 percent of its young people have a higher education. The role of this quality is also reflected in Japan's dynamic economic progress.

Every advancement in education affects economic progress. According to the calculations of the Organization for Economic Cooperation and Development, increasing the duration of education at any level of education



by one year in each country leads to a 3-6 percent increase in the country's Gross Domestic Product. The famous American economist L. Turow notes that in the 21st century, knowledge has acquired a new feature that it did not have before: it has become a source of wealth. Centuries ago, the English philosopher Francis Bacon said that knowledge means mastery. We know that there is a saying "Knowledge is power". But valuing knowledge as prosperity and wealth is the result of our modern era. This is confirmed by numbers, statistics and indicators. The impact of education on all areas, its moral and cultural role is integrated with its impact on economic development and dictates us to approach our task responsibly.

Competitive national economies are also possible in countries where education is developed. I reminded that every year the World Economic Forum releases its prestigious "Global Competitiveness" report and determines the ranking of countries on this important indicator. It is very interesting that the educational potential of the country is taken into account in determining this indicator. Education has already become one of the indicators of economic status. It is also viewed as an indicator that affects the consistency, stability, and competitiveness of economic development and status.

With its correct development model, Azerbaijan is steadily progressing in the "Global Competitiveness" report of the World Economic Forum. In the "Global Competitiveness 2014-2015" rating list, Azerbaijan moved up by 1 place compared to last year and ranked 38th. Among the neighboring countries, Turkey is ranked 45th, Russia is 53rd, Georgia is 69th, Armenia is 85th, and Iran is 83rd. According to these indicators, Azerbaijan won first place in its region. As it can be seen, the work done in the field of education also has a role in this success of our country. Both the reforms carried out in the country's education and the investment made in this field, as well as the training of specialists within the framework of the "2007-2015 State Program for the Education of Azerbaijani Youth in Foreign Countries" are showing themselves as a successful model and giving results.

Another important figure in the "State Strategy for the Development of Education in the Republic of Azerbaijan" draws attention: "According to the Human Development Report of the United Nations for 2010, compared to 2005, Azerbaijan moved up 34 places and ranked 67 out of 101 out of 169 countries. has risen from the "average human development" group to the "high human development" group. Azerbaijan has achieved great achievements in terms of reducing poverty and increasing the average life expectancy by accelerating the pace of economic development.

It is no coincidence that such an indicator is referred to in an important document defining the education strategy, and above all, it is a high value given to the role of education in the comprehensive development of the country. The Human Development Index is an indicator reflecting the well-being of the population in the countries of the world in the "Human Development Report" published by the UN Development Program every year since 1990. There is a scientific approach and sound methods to calculate this indicator. Experts believe that this index includes the well-being of the population more broadly than others.

Human Development Index considers three indicators of human development:

The first indicator: - Long and healthy life of a person. This indicator is calculated on the basis of average life expectancy;

The second indicator: - Education level, which is calculated based on literacy among adults, as well as the number of people studying in primary, secondary and higher schools;

The third indicator: - Decent living standards, which is calculated based on purchasing power and income.

As you can see, education is one of the 3 components in such a prestigious indicator as the Human Development Index. It is impossible to ensure prosperity and development without building an education system that meets modern standards.

The President of the Republic of Azerbaijan, Ilham Aliyev, has stated several times in his speeches that we cannot build our future on the oil factor. Because it is a natural resource and can be exhausted, and the country's economy

should be built on science and education, which are eternal wealth. Here, I would like to quote the speech given by the Honorable President during the opening of the school building after the reconstruction in Baku: "Teachers must fulfill their duty with honor, so that beautiful, new, professional and knowledgeable personnel are trained for the Azerbaijani society. Our children must be knowledgeable and literate. Because in the modern world It is the level of knowledge that determines the success of every person. We are living in the 21st century. In this century, the country that is more inclined to knowledge and innovation will ensure its interests, perhaps ten or twenty years ago, it was impossible to imagine this".

Therefore, the head of state has adopted state programs based on the goals of integration in world science and education, and is leading successful steps towards these goals.

In the "State Strategy for the Development of Education in the Republic of Azerbaijan" it is noted that important steps have been taken in the direction of the development of education in the country in recent years. On the basis of the decrees of the President of the Republic of Azerbaijan, extensive measures have been implemented in the direction of material and technical provision of education. For that purpose, about 2,500 school buildings were built in various cities and regions, and major repair and restoration works were successfully carried out in existing educational facilities. The application of information and communication technologies in educational institutions has been significantly expanded, and in general, the learning conditions of more than 1 million students have been improved. While in 2004 there was one computer for every 1063 students, in 2014 the ratio of one computer for every 20 students was ensured. In 2014, for the first time, 7.8 million textbooks were printed in Azerbaijan with the maximum name and number, in other words, 271 titles. From the 2014-2015 school year, another useful project called "Healthy education - healthy nation" was launched.

Everyone sees the facts we have listed, and the people of Azerbaijan feel the difference in this field every day in their lives. The work done and the successes in this field have become

indisputable, have produced important results, and the infrastructure of general education has been significantly updated in all regions of the country.

Let's take another direction. A normative legal basis of education that meets modern requirements has been created in the country. In this field, international experience has been mastered and international cooperation has been raised to the highest level. For now, let's recall a few directions:

- The main principles derived from the Bologna Declaration were applied in higher education;

- Modern informational and scientific-methodological provision of educational institutions, educational infrastructure has been updated;

- Large-scale work has been done and is continuing in the field of improving textbook provision.

- The solution of problems in the field of pedagogical personnel provision also covered remote village schools;

- State programs have been adopted to establish the vocational education service at the level of modern requirements, and projects are being implemented today.

- The development and maintenance of the infrastructure of pre-school educational institutions has become one of the main targets in the field of attention and care of the head of the country.

Of course, there are also problems in the field of education, and our state is constantly working in this field. Every citizen of Azerbaijan should know that the state spending on education has increased 1.3 times only in the last five years. This is calculated for the future. It is also of great importance not only for the success of the education sector, but also for ensuring the dynamics of the country's economic development. It is also an investment in our tomorrow.

One of the important works is "2007-2015 State Program for the Education of Azerbaijani Youth in Foreign Countries".

It is not correct to consider this document only as an educational program. By approving the State Program for the Education of

Azerbaijani Youth Abroad in 2007-2015, our Honorable President initiated the transformation of our material wealth into human capital. I want to briefly mention the main goals of the program. It is very interesting that the first of those goals is called: "formation of a competitive economic system in the country".

This is one of the most important goals of our country. It is not enough to look at it as a national goal. Achieving sustainable economic development is a human success, in other words, it is also a country's contribution to humanity in solving global problems.

Let's look at other goals of the "2007-2015 State Program on the Education of Azerbaijani Youth in Foreign Countries". One of them is called: "Satisfying the country's need for personnel who meet modern requirements in terms of ensuring sustainable development." There are universities in the world that have a centuries-old tradition or already have a large scientific and financial base. We can consider them as the resources of all mankind and there is no limit to anyone to benefit from them. You just need the right state policy and education strategy so that you can benefit from it. The President of Azerbaijan adopted a state program aimed at this, and the country's youth are also benefiting from it. This is part of our work in the field of education.

Finally, this state program serves to create the necessary conditions for the youth of Azerbaijan to receive a decent higher education based on universal values, and ensures the organization and efficiency of the process of expanding the opportunities for talented young people to study in the world's leading countries. Another opportunity created by the program is related to specialist training based on intergovernmental agreements and international student exchange between higher education institutions, which is very necessary for the country's economic development priorities.

The result

One of the existing problems of the researched field is the reconciliation of graduates of educational institutions with the problem of employment. Thus, the lack of connection between the labor market and education markets can ultimately lead to a

decrease in the number of students and, ultimately, the level of education. Today, unfortunately, there is a certain gap between the demand and supply of workers in the economy. But we can say with certainty that these gaps and deficiencies will be eliminated as a result of the successful socio-economic reforms carried out in the country in the near future. An important and necessary step in the modern stage of economic modernization is the structure of higher education accepted in the world. From this point of view, the relevance of the Bologna project is beyond doubt. The educational paradigm of modern higher education institutions is based on educational technologies, that is, the Internet, computer programs, etc. Within the framework of the Bologna process, work on the implementation of projects in the country's higher education institutions allows for the formation of a national education system that combines both local and European experience, which creates favorable conditions for the formation of human capital.

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ALİ TƏHSİL SİSTEMİNİN İQTİSADI İNKİŞAFDA ROLU

Xülasə

Məlum olduğu kimi, hər hansı bir xalqın və dövlətin formalaşması və inkişafı, onun gələcəyinin güclü təməllər üzərində qurulması təhsil sistemində əldə edilmiş nailiyyətlərlə əhəmiyyətli dərəcədə bağlıdır. Təhsilin inkişafı nəticəsində formalaşmış insan potensialı, başqa sözlə, insan kapitalı ölkələrin iqtisadi və sosial rifahının artırılmasında çox əhəmiyyətli yer tutur. İnsanların yetərli bilik və bacarıqlar əldə edərək cəmiyyətdə özünə yer tapmasında təhsil, xüsusilə də ali təhsil ən mühüm vasitələrdən biridir. Ali təhsil formalaşmış insan kapitalını cəmiyyətə təqdim etməklə, sosial rifahı artırmaqla yanaşı, insanların əldə etdiyi gəlir səviyyəsini yüksəldərək fərdi rifahı da təmin edir. Məhz ali təhsilin cəmiyyətə və fərdlərə qazandırdığı bu faydalar səbəbindəndir ki, dünyada ona tələb sürətlə artmaqda davam edir.

Açar sözlər: Ali təhsil, iqtisadiyyat, kapital, iqtisadi inkişaf

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РОЛЬ СИСТЕМЫ ВЫСШЕГО ОБРАЗОВАНИЯ В ЭКОНОМИЧЕСКОМ РАЗВИТИИ

Резюме

Как известно, становление и развитие любой нации и государства, построение ее будущего на прочном фундаменте во многом связано с достижениями системы образования. Человеческий потенциал, формирующийся в результате развития образования, иначе говоря, человеческий капитал, занимает очень важное место в повышении экономического и социального благосостояния стран. Образование, особенно высшее, является одним из важнейших средств для приобретения людьми достаточных знаний и навыков и поиска своего места в обществе. Высшее образование, представляя обществу сформированный человеческий капитал, повышает социальное благосостояние, а также обеспечивает индивидуальное благополучие за счет повышения уровня доходов людей. Именно благодаря этим преимуществам, которые высшее образование приносит обществу и отдельным людям, спрос на него в мире продолжает быстро расти.

Ключевые слова: Высшее образование, экономика, капитал, экономическое развитие.