

ASSESSMENT OF ECONOMIC POTENTIAL OF TERRITORIES LIBERATED FROM AZERBAIJAN OCCUPATION

*Yadigarov Tabriz Abdulla,
Ministry of Science and Education of the Republic of Azerbaijan
Institute of Economics Department “Regulation of Foreign Economic
Activity” leading researcher of the department, Associate Professor
E-mail: tabrizyadigarov65@gmail.com*

ORCID ID: [0000-0001-9119-9331](https://orcid.org/0000-0001-9119-9331)

*Aliyev Shukur Ilgar, Doctoral student
Azerbaijan University of Architecture and Construction
aliyevvshukurr@gmail.com
ORCID ID: 0000-0001-7272-3417*

Purposeful socio-economic reforms implemented in our country are developing dynamically, aimed at further strengthening and modernizing the competitiveness of the national economy, increasing the living standards of the population. This development is even more intensive in the current conditions of our republic than in previous years in connection with the restoration of our occupied territories for 32 years after the 44-day war under the leadership of the Commander-in-Chief of the Azerbaijan Army Ilham Aliyev took character. Due to the high quality, composition and suitability of our lands liberated from occupation, the use of these lands in agriculture, as well as the traditional production and processing areas operating in these areas during the former USSR, including the restoration of favorable conditions for the development of light industry, which is considered one of the sensitive areas of the republic's economy, is important. It is known that on February 2, 2021, the President of the Republic of Azerbaijan, Mr. Ilham Aliyev “Azerbaijan 2030: According to the Order on Approval of National Priorities for Socio-Economic Development”, one of the priority areas identified for the implementation of the 5 main National Priorities for Socio-Economic Development of the country in the next decade is large to the liberated areas is a return program [1, p. 18]. Under this program, construction work carried out in the occupied territories from that date, including roads, transport infrastructure, houses, cultural centers, The implementation of the plan for the establishment of the city center is aimed at further improving the socio-economic situation of the population, affecting the growth of the economic potential of these areas.

One of the main issues planned for life in the reconstruction of

transport infrastructure with the liberation of Karabakh from occupation is the opening of the Zangazur corridor, which is of important regional importance. The opening of this corridor will stimulate the growth of trade turnover, which will have a positive impact on the optimization of the economic potential of the Agdam region, along with the countries of the region [2, p. 19].

The opening of the Zangazur corridor is in the interest of the world's power centers, giving impetus to the development of the countries of the region. Azerbaijan is one of the main countries in the North-South and East-West projects. It should be noted that the integration of the Zangazur corridor into the North-South transport hub will create additional opportunities for all countries in the region [3, p. 4].

It should be noted that the opening of the Zangazur corridor will allow Armenia to establish cheaper transport links to Iran and Russia. Currently, rail freight between Russia and Armenia is not economically viable. The road increases the cost of transportation as it passes through difficult mountain roads. Transportation of about 20 tons of cargo costs 4,000 US dollars. According to statistics, 35% of Armenia's trade turnover falls on Russia. At present, Armenia has a connection with Iran only by land, which passes through difficult relief. The attempt to establish a railway link with Iran was made in 2009, when Armenia and Iran signed an agreement on the construction of the "Southern Armenian Railway", which will connect Yerevan and Tabriz via Artificial. The construction of the railway line, with a total length of 470 kilometers, will cost \$ 3.5 billion, compared to Armenia's annual budget. The Iranian railway passing through the Culfa region of Nakhchivan and the city of Colfa in the northwestern province of East Azerbaijan, and the volume of cargo exchange crossing the Colfa border in 1990 and 1991 was mainly 10% of Iran's imports% more than 2.69 and 2.37 million tons. After the First Karabakh War, the Fuzuli, Jabrayil and Zangilan regions near the Iranian border came under Armenian control, so the railway connection between Nakhchivan and Azerbaijan was cut off and freight exchange declined [3].

It should be noted that the restoration of the Zangazur corridor will lead to Iran's relations with Armenia and Russia, as well as Turkey's direct access to the Caspian Sea and the Caucasus, It will also be important in establishing relations with Russia and the Central Asian Republics.

The effective use of the economic potential of the occupied territories is important in ensuring economic growth across the country by increasing the volume of retail trade. Due to the successful economic reforms carried

out in our republic, the development of agriculture and traditional industries in all regions of the country, including Karabakh, conditioning the increase in value added through investments in these areas, It will lead to an increase in GDP. In this regard, it is important to assess the impact of retail trade on GDP in Agdam.

Using the statistics of the last 12 years, ie 2010-2021, if we use the Eviews software package for the purpose of econometric assessment of the impact of retail trade on the GDP of torture-free areas, we will get the following result [4, p.171].

$$Y = 26.203010182 * X + 9634.51518997 \quad (1)$$

At the same time, since the F-Fisher criterion is larger than the table price ($101.12 > 4.96$), the regression equation is statistically significant as a whole. For an explanatory variable to the level of significance $m=1$ and $n=12$ observation, Durbin-Watson's crisis points will be as follows [4, p.331]:

$$d_l = 0,971, \quad d_u = 1,331$$

According to the Durbin-Watson criteria, if $d_u \leq DW < 4 - d_u$ if there is, there will be no autocorrelation between the indicators. $d_u = 1,331 \leq DW = 2,251 < 4 - d_u = 2,669$ Since the fire, there is no autocorrelation between the indicators studied.

As a result of research If we calculate the elasticity coefficient for the linear regression equation, which is the percentage change of the dependent variable as a result of a 1% change in the free variable, we get the following result [4, p.279] :

$$E = \frac{\alpha_i \times \bar{x}_i}{\bar{y}_i} = \frac{26,203 * 766,225}{47304,68} = 0,424$$

The calculations show that a 1% increase in retail trade in torture-free areas results in a 0.42% increase in GDP in the Republic of Azerbaijan.

The study found that one of the main issues in the effective use of the economic potential of the liberated areas was the reconstruction of transport infrastructure through Zangazur and Baku-Horadiz-Megri, which stretched to Nakhchivan and Turkey. It is the restoration and commissioning of the Nakhchivan railway line and the Baku-Aghdam-Khankendi-Lachin-Gorus-Nakhchivan highways. The extension of the Zangazur corridor to the Turkish cities of Igdir and Kars will result in a 340 km reduction in traffic compared to the road through Georgia, which

will result in a 340 km reduction in traffic.

This in addition results in a cheaper cost of \$ 400-500 for freight cars for 20 tons of wagons and an increase in the profitability of shipments.

Research shows that the volume of cargo transportation, including transit traffic from the Azerbaijani part of the TRACECA project has increased sharply due to the launch of the Zangazur corridor.

The connection of transport with this corridor to the North-South and East-West projects will be of special importance for the countries of the region. At the same time China's "One belt, one road", "Lapis-Lazuli" transport routes project.

The integration of the "North-South" transport route between India and Iran-Russia with the Zangazur corridor will further increase the economic efficiency of transport projects.

Being part of the Middle Corridor, as well as an alternative to the international route from Europe to Asia, the Zangazur Corridor will play a key role in the development of the region by expanding the associative activities of our republic, playing an important role in mastering the economic potential of the liberated territories in the future.

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