

Ways to achieve inclusive growth

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Summary: Over the past few years, the so-called "inclusive growth" model has gained popularity among development theorists and practitioners. Inclusive growth rates around the world vary.

For example, some countries consider effective and sustainable economic growth, social inclusion, social protection, progressive fiscal policy, non-discriminatory approach, and investments in human capital as priorities for inclusive growth.

Development policy should be based on a broad dialogue in which, in addition to experts and politicians, representatives of the poor and other excluded groups will also participate.

Keywords: Inclusive growth, human resources, accessibility, investment, social protection, employment, poverty.

Ways to achieve inclusive growth may vary from country to country, as they, as well as international organizations, set priorities independently.

For example, the Asian Development Bank identifies three key components that are an integral part of an inclusive growth strategy:

- High, efficient and sustainable economic growth, which should provide productive jobs and economic opportunities;
- Social inclusion, which should ensure equal access to economic opportunities (access to education, health care and infrastructure);
- Social protection, which is important to protect the poor society.

Georgian scientist E. Beridze singles out other components that may ensure inclusive economic growth:

- Employment and new jobs,
- Economic transformation,
- Investments in human capital,
- Progressive fiscal policy,
- Social protection,
- Non-discriminatory approach,

Despite the great importance of each of the factors of inclusive growth listed here, in our view, special importance should be attached to the expansion of investments in human capital.

How can inclusive growth be achieved in reality? In other words, how can economic growth be ensured while at the same time creating jobs and business development prospects for the poor citizens?

It is to take care of the proper upbringing of the youth, to train them professionally in accordance with the requirements of the market, to guide their minds towards creative thinking.

This is not only our opinion. This is recognized by all Georgian and non-Georgian scientists. for example:

Plato: "All ideas that are not based on knowledge are baseless"

Francis Bacon: "Knowledge is a great power"

Becker: "Education is the main direction of investing in human capital"

Nordstrom: "earlier in time the decisive factor of production was land, then capital ... today the decisive factor is man himself, his knowledge ..."

Samadashvili: "The role of human capital is important for inclusive development. "Every country, including Georgia, really needs people with modern economic knowledge and experience."

P. Samuelson: "The more educated and knowledgeable person is, the higher his productivity, the more he contributes to the development of the national economy and, consequently, the more income he earns."

P. Samuelson: The more educated and knowledgeable a person is, the higher his productivity, the more he contributes to the development of the national economy and, consequently, the more income he receives.

Jolia: "Georgia will develop only with the attitude and active action of creative people with modern deep professional knowledge and skills."

Former Prime Minister of Poland L. Balcerowicz has named the development of a labor-oriented labor force in his 2002 book, *The State Transition*, which he published.

Sustainable and predictable stability is essential for long-term, sustainable and inclusive growth. Therefore, if we really want long-term, sustainable and inclusive growth of the national economy, we must invest in poorly developed human capital, because investing in education is just as and often more important for long-term economic growth than physical capital. For example, in developed countries, investments in education and science increase GDP by 40%, and in 5-7 years, when these investments begin to take full effect, their returns outweigh the returns on oil and gas production.

By all this we do not mean that only education will change everyone and everything that is needed for the economic growth of the country. It is important, but not everything. The report of the World Economic Forum states the following:

"There is no magic combination of economic measures that will immediately lead to inclusive development. It is important that the whole economy functions properly in a complex way and that individually tailored measures are taken. "

Thus, in order for the state to achieve inclusive growth, it must develop appropriate strategies that must address the above issues.

The 2018 report of the World Economic Forum also talks about Georgia. Where, according to the Inclusive Development Index, Georgia is in the 32nd place, At the same time, it is noted that Georgia is progressing quite fast in this regard and its score in the rating by 6.8% over the last 5 years

The presence of any country in this ranking is to some extent an indicator of progress.

We should also evaluate Georgia's achievements quite progressively, which were distributed in the 2018 report of the World Economic Forum as follows:

- Growth and development - with 3.1 points, Georgia is in 36th place among 79 countries, in the last 5 years, Georgia has improved its position in this category by 10.2%.

- GDP per capital - 34th place; Growth of 6.2% in the last 5 years.

- Productivity of the workforce - 47th place; Increase of 4.5%

Healthy life expectancy - 66.4 years. 23rd place.

- Number of employees - 48th place, growth in the last 5 years - 3.1%.

It is noteworthy that Georgia has significantly improved its position in economic growth in the last 5 years. However, growth reserves are still there.

In our opinion, they can be launched in Georgia with the massive opening of inclusive business incubators, where the young unemployed population will learn business and will be actively involved in it.

Conclusion: One of the most important factors for inclusive economic growth is the development of human resources and the most effective use of existing potential. Achieving this goal requires the development of a labor market-oriented workforce, the improvement of the social security system and a quality and affordable health care system. Inclusive growth is one of the models of economic growth, which provides:

- 1) Increases the involvement of all segments of society in the process of ensuring

- 2) increase the distribution of results as widely as possible.

Priority is given to policies that promote the maximum utilization of resources, especially human resources. The inclusive development model differs from the so-called. From a poor-oriented growth model.

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