Azerbaijan

by Magdalena Frichova Grono

Capital: Baku
Population: 8.8 million
GNI/capita, PPP: US$9,020

Source: The data above was provided by The World Bank, World Development Indicators 2011.

Nations in Transit Ratings and Averaged Scores

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* Starting with the 2005 edition, Freedom House introduced separate analysis and ratings for national democratic governance and local democratic governance to provide readers with more detailed and nuanced analysis of these two important subjects.

NOTE: The ratings reflect the consensus of Freedom House, its academic advisers, and the author(s) of this report. The opinions expressed in this report are those of the author(s). The ratings are based on a scale of 1 to 7, with 1 representing the highest level of democratic progress and 7 the lowest. The Democracy Score is an average of ratings for the categories tracked in a given year.
Azerbaijan experienced a brief period of independence from 1918 to 1920, and regained independence in 1991 as the Soviet Union disintegrated. Its early years of transition and state-building were unstable, dominated by a war with Armenia and separatist Karabakh Armenians over the breakaway Nagorno-Karabakh region. A ceasefire agreement was signed in 1994, but the conflict remains unresolved. Azerbaijan still insists on the reestablishment of its territorial integrity, while Nagorno-Karabakh, backed by Armenia, continues to seek international recognition of its independence. An estimated one million people have been displaced by the conflict, and Azerbaijan has lost control of some 16 percent of its territory.

President Heydar Aliyev came to power in 1993 and remained in office for ten years, during which he strengthened his hold on the country by concentrating powers in the executive branch. In October 2003, Aliyev was succeeded by his son, Ilham, following disputed elections that were deemed neither free nor fair by the Organization for Security and Cooperation in Europe (OSCE). All subsequent popular votes—including the 2005 parliamentary elections and their 2006 reruns, the October 2008 presidential election that secured President Ilham Aliyev's second term in office, the 2009 constitutional referendum, and the 2009 municipal polls—have failed to meet international standards of freedom and fairness. Moreover, the 2009 referendum eliminated the constitutionally set limits for two consecutive presidential terms, potentially paving the way for Aliyev's lifelong presidency.

Under President Ilham Aliyev’s rule, Azerbaijan has moved towards full-fledged authoritarianism, a trend that continued throughout 2010. In November, parliamentary elections that cemented the power of the ruling Yeni Azerbaijan Party (YAP) took place in an environment of intimidation and repression, amid the usual allegations of fraud. Preelection opposition rallies in May, June, and July were suppressed and scores of participants detained.

**National Democratic Governance.** The ruling elite further strengthened their authoritarian grip on Azerbaijan in 2010, maintaining stability at the expense of basic rights and civil liberties, and harassing critics with impunity. Oil and gas revenues are leveling off, but the government remains largely impervious to international pressures for reform, particularly in the area of human rights. Hydrocarbons are still expected to generate huge wealth over the next two decades. Military expenditures in 2010 amounted to over 10 percent of the national budget and are set to double in 2011. War rhetoric dominated the official discourse on the Nagorno-Karabakh conflict. *Owing to the government's severe disregard for basic freedoms and due democratic process, and its continued stifling of dissent, Azerbaijan's national democratic governance rating remains at 6.50.*
Electoral Process. No election in Azerbaijan has been assessed as free and fair since the adoption of the country’s constitution in 1995. Frequent irregularities have included the abuse of administrative resources, intimidation and harassment of the opposition, and election day violations. A repressive media environment also undermines the electoral process. Electoral code amendments adopted in June 2010 restricted campaign and canvassing periods, further disadvantaging opposition political parties. Preelection opposition rallies were severely restricted or dispersed. The November 2010 parliamentary elections were marred by serious irregularities and further strengthened the ruling Yeni Azerbaijan Party (YAP). Owing to the authorities’ complete unwillingness to provide conditions for free and fair elections, and the introduction of further restrictive amendments to electoral legislation in 2010, Azerbaijan’s electoral process rating drops from 6.75 to 7.00.

Civil Society. Azerbaijani authorities continued to crack down on critics of the regime and sought to control all spheres of public life. Two young activists and bloggers, Emin Milli and Adnan Hajizade, convicted on dubious charges in 2009, were freed in November only after a year-long international campaign for their release. Nongovernmental organizations (NGOs) reported ongoing obstacles to registration. Although the Council on State Support to NGOs distributed some US$4 million in grants, it is widely believed that most of these funds will go to government-organized or non-influential organizations. Pressure on religious groups continued. In January, police violently suppressed demonstrations protesting the detention of elders celebrating a religious holiday in the Nakhchevani village of Bananyar. The Muslim headscarf (hijab) was banned in schools, and there were reports of harassment against Salafi Muslims in the country’s north. Due to the authorities’ continued pressure on civil society and repression of civic activists, Azerbaijan’s civil society rating remains at 5.75.

Independent Media. Azerbaijani authorities systematically suppress critical voices in broadcast, print, and online media. Violent attacks on journalists continued in 2010, with full impunity for perpetrators. Libel continues to be considered a criminal offense, and the ensuing self-censorship has stifled public debate. Several journalists remain imprisoned on apparently political charges, among them newspaper editor Eynulla Fatullayev, whose release was ordered by the European Court of Human Rights (ECHR) in April. Azerbaijani authorities dropped criminal charges against Fatullayev in November but ignored the ECHR’s demand that he be freed, citing bogus drug possession charges pressed while the journalist was in prison. As a result of severe pressure on all forms of independent reporting, and the authorities’ refusal to hold perpetrators of attacks on journalists accountable, Azerbaijan’s independent media rating remains at 6.75.

Local Democratic Governance. Local self-government in Azerbaijan is controlled by the executive branch, as an extension of the patronage-based national governance system dominated by the ruling party. Municipalities are seriously underfunded
and lack meaningful responsibilities or decision-making authority. Local elections are widely believed to be controlled by the executive. The exclave of Nakhchevan enjoys a strong degree of autonomous governance but is also the most repressive region of Azerbaijan. In January 2010 Nakhchevani authorities cracked down on peaceful Muslim demonstrators, 100 of whom were beaten or detained. The Soviet-era practice of incarceration of opponents in mental hospitals was reported. *Due to continued subordination of local governance to central authorities and impunity for official abuse at the local level, Azerbaijan’s local democratic governance rating worsens from 6.25 to 6.50.*

**Judicial Framework and Independence.** Azerbaijani legislation guarantees judicial independence, but in practice the judiciary is deeply dependent on the executive. Although internationally-led reform efforts have had some limited, positive impact, the judiciary remains inefficient and rife with corruption. This prevents courts from providing an effective redress mechanism against violations of human, civil, and property rights. Unfair trials and violations of due process are commonplace, and Azerbaijan has not complied with a number of ECHR rulings. *Owing to the judiciary’s dependence on the executive, its failure to provide a redress mechanism, and its complicity in silencing critics, Azerbaijan’s judicial framework and independence rating stagnates at 6.25.*

**Corruption.** Systemic corruption continues to be one of the most severe obstacles to Azerbaijan’s democratic development. Although anticorruption legislation is in place, corrupt practices permeate all spheres of public life. In addition to providing illicit income, the established corrupt system gives the ruling elite an additional means of political control. Officials avoid financial disclosure; in 2010 it was reported that Azerbaijani citizens whose names and ages matched those of President Aliyev’s children owned real estate in Dubai worth US$75 million. *Owing to the continued lack of transparency in oil revenue expenditures and public contracts, and the lack of political will to address systemic corruption, Azerbaijan’s corruption rating stays at 6.50.*

**Outlook for 2011.** Authoritarianism in Azerbaijan can be expected to deepen in 2011. With the ruling party having solidified its position in the December 2009 municipal and November 2010 parliamentary elections, the regime is likely to remain stable in the run-up to the 2013 presidential race, and possibly beyond. The circle of associates around President Aliyev will continue to benefit from the country’s hydrocarbon wealth, and although 2011 will see further slowdown of economic growth, this is unlikely to cause socioeconomic turmoil in the short to medium term. Azerbaijan’s militarization is worrisome, and risks of escalation along the Nagorno-Karabakh line of contact are high, given the low likelihood of a genuine breakthrough in the conflict resolution process.
President Ilham Aliyev has forcefully consolidated both the presidency and his personal authority since coming to office in 2003. Contrary to widely held expectations, the son and former prime minister of Heydar Aliyev became a powerful leader, craftily managing relations within the narrow, clan-based political elite. After a 2005 parliamentary poll that solidified the ruling Yeni Azerbaijan Party (YAP)’s dominance of the parliament, Aliyev replaced key members of the elite with new appointees who owed their positions to him personally. He won his second term in office in October 2008, in an uncontested poll that was boycotted by major opposition parties and criticized by international observers for falling short of international standards. In March 2009, a constitutional amendment that removed presidential term limits opened the possibility of Aliyev’s lifelong presidency.

Under Aliyev’s rule, Azerbaijan has moved from semi-authoritarian rule to full-fledged authoritarianism. Stability is maintained at the expense of basic rights and civil liberties, as the authorities’ campaign of pressure against dissenting voices has ensured a strong degree of compliance and self-censorship on the part of the general population and civil society. Although separation of powers is guaranteed by the constitution, in reality the executive office dominates both the legislature and the judiciary. Its reach also extends well into the country’s regions, where it controls local self-government structures.

The Milli Majlis (National Assembly) is a rubber-stamp body with no oversight or public debate function. In June 2010, the parliamentary assembly adopted a controversial law requiring it to coordinate its legislative agenda with the presidential administration in a joint yearly plan. The 125-seat parliament is dominated by the ruling YAP party, a reality that the November parliamentary vote only reconfirmed. As usual, the elections took place amid allegations of serious violations and in an overall environment of intimidation and repression.

Azerbaijan’s broader legal framework, significantly modernized with the international community’s help, is quite solid. In practice, the country’s top-down governance system operates through patronage networks and suppression of civil and political freedoms. The informal patronage-based system creates an appearance of stability, although rivalry over access to power and resources between clans and influential individuals may well challenge this stability in the future.

As in previous years, law enforcement structures acted with impunity. Cases of ill treatment and excessive use of force in police and military custody were reported throughout the year. Local and international human rights groups have criticized the physical abuse, torture, and due process violations that occur in Azerbaijani
detention facilities. Prison conditions are generally harsh and often reported to be life threatening. Arbitrary arrests and detentions occur with regularity, often targeting individuals allied with the political opposition.

Azerbaijani military expenditures have soared, with the military budget amounting to 10.7 percent of the national budget in 2010 and projected to reach 19.7 percent, or US$2.5 billion, in 2011.\(^3\) As tensions along the frontline of Nagorno-Karabakh rose in August and September, the potential for escalation of the conflict also grew. Aggressive war rhetoric dominated the discourse on Nagorno-Karabakh, although President Aliyev and his Armenian counterpart, President Serzh Sargsyan, continued to meet during the year.

Oil and gas revenues are leveling off, though they continue to boost Baku's coffers and the leadership's self-confidence in domestic and international affairs. Annual GDP growth rates, which averaged an incredible 20 percent between 2003 and 2008,\(^4\) slowed to some 3 percent in 2010 and are expected to be as low as 0.6 percent in 2011.\(^5\) However, energy resources are still expected to generate revenues of US$350–400 billion over the next two decades.\(^6\) Azerbaijan's economy continues to be largely undiversified, with construction, banking, and financial services being the only sectors outside of oil and gas that have contributed to growth.\(^7\)

Authorities continued to ignore the international community's pressure for Azerbaijan to comply with its own human rights and democratization commitments, whether in the Council of Europe (CoE) or European Neighborhood Policy frameworks. The European Union and the United States have not challenged Baku on its authoritarian tendencies with resolve. Their complacency might be politically understandable: to begin with, they have strong strategic interests in the country, given its oil and gas wealth, position along the Afghanistan supply route, border with Iran, and relationship with Russia; moreover, Azerbaijani oil-rich leadership is not easily influenced by economic incentives or disincentives. But continued complacency risks contributing to the further entrenchment of a regime exhibiting increasingly militant and authoritarian features.

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The November 2010 parliamentary election was widely seen as a pro forma exercise, allowing the ruling YAP party to further entrench itself. For the first time, Azerbaijan's two main opposition parties did not win a single seat in the new government.

Electoral processes have been deeply flawed in Azerbaijan since its 1991 independence (although the 1992 presidential poll did feature a degree of genuine contestation). No election since the 1995 adoption of the country's constitution has met international standards of freedom and fairness. Most recently, the October 2008 presidential election, March 2009 referendum, December 2009 municipal
elections, and November 2010 parliamentary elections have further demonstrated citizens’ inability, under the prevailing system, to achieve a peaceful rotation of power.

Grave irregularities in recent elections have included the extensive use of administrative resources by the ruling party for campaign purposes, voter intimidation, harassment of the opposition, and vote buying. Traditional election day violations have also included ballot stuffing, illegal campaigning, carousel voting, and voter list irregularities, as well as pressure and restrictions on observers and flawed vote-counting and tabulation processes. The overall electoral environment is marred by serious restrictions on political participation, a lack of political competition, and the near absence of open public debate; this is further exacerbated by the government’s effective control of the media. YAP also dominates the election commissions. Traditional opposition parties have not participated in electoral commissions since 2005 and are restricted from public assembly, rallies, or meetings during the non-election period.

Since the severe government crackdown on demonstrators protesting the conduct of the 2003 and 2005 parliamentary elections, and given the growing pressure against all forms of dissent, the population in Azerbaijan has been minimally engaged with electoral processes. There are no meaningful redress mechanisms against widespread election fraud or human rights abuses, and election results appear to be accepted by the population with a strong degree of resignation.

YAP also dominates the election commissions. Traditional opposition parties have not participated in electoral commissions since 2005 and are restricted from public assembly, rallies, or meetings during the non-election period. In contrast to the partial boycott of the 2008 and 2009 polls, all parties chose to participate in the 2010 election. However, opposition parties faced serious registration difficulties. Only 719 candidates (compared with 2,062 in 2005) were registered out of a total of 1,407 hopefuls, and 27 of these subsequently withdrew. Every YAP would-be candidate was allowed to register, while only 17 out of 120 hopefuls successfully registered for the Democracy bloc. On average, the four opposition blocs managed to register one in three hopefuls.

The November 2010 preelection campaign was marred by many of the shortcomings which had affected previous votes: opposition party members were harassed and restricted from campaigning, voter intimidation was widespread, and the authorities did not act on the international community’s electoral process recommendations. The run-up to the election was characterized by severe restrictions of civil society activism and freedom of assembly, and opposition parties faced difficulties organizing campaign meetings.

The executive authorities allocated selected venues for campaign meetings; these were often small far from the city center, especially in Baku. In May, opposition parties held demonstrations in Baku, demanding fairness and transparency in the November elections. Police dispersed the rally and detained some 50 protesters and sentenced 11 to jail terms. In June similar “unauthorized” rallies were suppressed by police. One opposition rally held in Baku, despite a ban on protests in the city
center, was dispersed with some 100 people reportedly arrested. The Popular Front-Müşavat bloc also canceled a demonstration planned for October in Baku after city authorities denied them permission to assemble.

Before the vote, amendments to electoral law were adopted in June 2010 that largely eliminated what little space remained for genuine contest. The duration of the election campaign was reduced from 75 to 60 days, and the canvassing period from 28 to 23 days. The amendments also abolished subsidies for candidates that had previously been provided from the budget. The canvassing restrictions in practice meant that each candidate received only 4 minutes of free air time on national TV/radio, owing to the fact that campaign-related issues may be aired only during 2 hours of nightly preelection programming. This allocation did not affect substantial and favorable coverage of the ruling party during all regular news programming.

The Organization for Security and Cooperation in Europe’s Office for Democratic Institutions and Human Rights (OSCE/ODIHR) assessed voting on election day positively in 90 percent of the polling stations visited, but vote tabulation was deemed “bad” or “very bad” in one-third of polling stations. The resulting legislature is entirely dominated by YAP, which has increased its presence from 63 seats in the outgoing parliament to 74 in the new one. Nominally independent candidates, who are in reality very close to the ruling elite, secured an additional 38 seats. The remaining 13 seats were divided between 10 small opposition or quasi-opposition parties. For the first time, Azerbaijan Popular Front and Müsavat—which ran as a bloc—were unable to secure a single seat in parliament. In the last poll, the two main opposition parties won 2 and 4 seats, respectively. Both parties decried the election results, and Müsavat’s chairman, Isa Gambar, called for the vote to be annulled.

### Civil Society

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The government’s stifling of Azerbaijani public life continued in 2010. The country’s political opposition has been effectively undermined over the past years; consequently, the authorities have no serious political rivals, and openly say so. Space for meaningful civic activism continued to shrink during the year, especially in the preelection period. Civic and political apathy is widespread, and self-censorship is prevalent both in civil society work and the media.

Oppressive government policies and a strategy of selective funding have left the still-developing nongovernmental organization (NGO) sector splintered and without significant impact. Most active organizations are based in the capital, Baku. Although NGOs seek to publicize their work, the lack of public awareness of the relevance of civil society continues to be high, and public distrust of NGOs is
common, especially in the regions. Despite this, many civil society organizations continued to operate. Government and NGO estimates for registered groups vary from 2,600 to 3,220, but only a small subset of active NGOs can be considered genuinely effective.\textsuperscript{16}

The authorities’ strategy for its proactive control of the NGO sector is based on a “Concept for State Support for NGOs,” adopted in 2007. Later that year, a Council on State Support to NGOs under the President of Azerbaijan was established by presidential decree, comprising three officials and 8 representatives of mostly pro-government NGOs. Over the first two years of its activity, the Council allocated US$4 million in grant assistance to 430 NGOs, on a competitive basis.\textsuperscript{17} Many NGOs and analysts see the Council’s activities as a governmental attempt to outspend other donors and monopolize the civic sector, while creating a deceptive appearance that official support for genuine diversity and pluralism is on the rise in Azerbaijan. According to NGOs, the government’s interference in the civic sector has coincided with the withdrawal or decrease of some foreign donor support brought on by the global economic crisis.

A growing number of GONGOs (Government-Organized Nongovernmental Organizations) operate in the country. These organizations have been set up by the authorities or persons close to them with the aim of creating a third sector for international funders to work with.\textsuperscript{18} Because these compliant entities usually get better access than groups that are vocally critical, some donors see them as more effective.

A 2009 law on NGOs gives the authorities significant discretionary powers, such as banning any NGO activity on the grounds that it presents an unlawful “appropriation of” or “interference with” the state’s powers. Financial reporting procedures are strict, and if two warnings are issued, an NGO’s registration may be revoked by a court order. The end of 2009 saw further restrictions put in place: grant money transfers are banned unless the grant in question is formally registered with the Ministry of Justice. Unregistered NGOs have not been explicitly banned from operating, but they may not be able to access or register their funding.

In 2010, the Ministry of Justice continued to create registration obstacles for many NGOs. Several cases of revocation or denial of registration were heard by the ECHR, which has ruled against Azerbaijan in numerous cases since 2002.\textsuperscript{19} It has been especially difficult for NGOs to work in areas the government sees as sensitive; activities seeking systemic democratic change typically encountered the strongest obstacles in 2010. Meanwhile, activities in service provision, social and community-based work, and the health and education sectors were generally not harassed by the authorities.

Human rights organizations have long been under governmental pressure, with a number of activists intimidated or attacked, and 2009 and 2010 saw increased direct pressure against youth activists. Youth groups of non-partisan civic activists have progressively formed in Azerbaijan over the past few years, using new media, social-networking sites, and blogs as avenues for expressing their social stances and opinions in the absence of more traditional public-debate venues.
In 2009, two prominent activists, Emin Milli and Adnan Hajizade, who used online blogging to express their critical civic views and air satirical short films, were arrested on apparently politically motivated charges. They were later imprisoned and convicted of hooliganism and inflicting minor bodily harm, then sentenced to two and two-and-a-half years of jail time in a nontransparent legal process. In March 2010, the bloggers lost their appeal when the Azerbaijan Appeals Court upheld the 2009 conviction without examining the bloggers’ central contention that the attack that led to their conviction had been deliberately staged to frame them. In August 2010, the Azerbaijan Supreme Court upheld the prison terms for the two bloggers. After strong international criticism, including U.S. President Barack Obama’s personal appeal to President Aliyev in September 2010, the two activists were released in late November 2010.

Although the Constitution of Azerbaijan guarantees freedom of religion, some religious groups experience considerable harassment. An amendment limiting religious propaganda and proselytizing was adopted in March 2009 via constitutional referendum, and subsequent amendments to the Law on Freedom of Religion required religious communities to re-register with the State Committee for Work with Religious Organizations by January 1, 2010.

Groups that the authorities see as beyond their reach are frequent targets of government pressure. These include Islamic groups, such as the Salafis, that are not registered with the State Committee for Work with Religious Structures or that do not cooperate with the Board of Muslims of the Caucasus, a Soviet-era body that officially runs Islamic affairs in the country. Other targets include certain Protestant communities and the Jehovah’s Witnesses.

In January 2010, a group of Shia Muslims faced a violent crackdown in Bananyar. In February, fifteen people were detained after a clash with police that blocked an authorized Shia procession during a holiday marking the death of Prophet Muhammad. In March, five of these men were charged with hooliganism. Then in May, four followers of the Muslim theologian Said Nursî were detained and held for several days by the country’s secret police.

December 2010 saw controversies around the official ban on wearing hijab, the Muslim headscarf, in schools. The Minister of Education declared that schoolgirls must not wear hijab in class. Hundreds of believers gathered in protest around the Education Ministry in Baku, but police dispersed the crowd, detaining sixteen people. Protests were also held in other cities, notably in Nardaran, in late December.

Islamic communities have also been targeted in the northern regions of Azerbaijan where the authorities fear the spillover of radical Islam from the neighboring North Caucasus. Believers from the Zaqatala district reported in October that the group was harassed by police; their beards were forcibly shaved and they were beaten. Interior ministry officials were quoted as saying that “police are entitled to summon men with long beards and short trousers for ‘a preliminary talk’ to determine whether they represent ‘illegal, radical religious’ trends.”
Azerbaijan’s Law on Mass Media, adopted in 2000, guarantees freedom of speech, support for the media, access to information, and protection of journalists’ rights. In practice, the authorities have used violence, intimidation, and criminal laws to stifle public debate and silence dissenting voices. Dozens of journalists, especially those who criticize the government for its lack of transparency and human rights abuses, have been prosecuted and jailed, and many have been physically attacked with impunity. In 2010, a renewed campaign to limit media freedoms and stifle independent discourse was evident in the run-up to the November parliamentary election.

Official state censorship was abolished in 1998, but the authorities’ campaign of systemic intimidation and harassment of journalists has resulted in a strong degree of self-censorship. Among the most blatant attacks on independent journalists was the 2005 murder of Elmar Huseynov, the editor in chief of Monitor; the government’s failure to bring the perpetrators to account caused the Representative for Freedom of the Media, Dunja Mijatović, to place Azerbaijan on her “Hall of Shame” list in June 2010. In March, five editors in chief were interrogated by the national security ministry for alleging the ministry’s involvement in the killing.

In 2010, several attacks upon journalists elicited no credible investigation by the authorities. In one notable example, Elmin Badalov, of the newspaper Yeni Müsavat, was attacked by security guards in July while taking pictures of property allegedly owned by oligarchs. Police refused to open an investigation and tried to misrepresent the case. In August, Rasul Shukursoy, of Komanda newspaper, was stabbed after receiving threats that had been ignored by the police. Shukorsoy has said the incident was a reaction to his article about a famous footballer.

 Authorities also sought to thwart reporting on public protests. In June, journalists were prevented from capturing on film the Müsavat party’s demonstration in Baku and protests in Sabirabad concerning the government’s response to severe floods in the country’s south. In general, journalists and editors in Azerbaijan have come to understand an informal barrier beyond which it is not advisable to explore matters, and they often avoid sensitive topics, especially those related to the Aliyev family or other influential figures of the ruling elite. International journalists, too, have been targeted: in May, Norwegian journalist Erling Borgen had his footage for a documentary on newspaper editor Eynulla Fatullayev erased by Azerbaijani officials.

New formal restrictions were put in place in 2010. In February the parliament passed amendments to the media law, approved by the 2009 referendum, which ban unauthorized image and sound recording, even at public events. Foreign radio broadcasting on FM frequencies has been banned, effectively taking BBC, Voice of America, and Radio Free Europe/Radio Liberty off the air. However, foreign broadcasters can still be accessed on shortwave and via the internet and cable services.
Libel continues to be a criminal offense in Azerbaijan, despite strong, repeated criticism from international organizations, including the CoE and the OSCE Representative on Freedom of the Media. Libel charges, which carry punishments ranging from large fines to three years imprisonment, have often been filed against journalists in apparently politically motivated cases. Most critics understand such libel charges as a blatant attempt by the authorities to institute censorship. In the first 6 months of 2010, government officials filed 26 criminal defamation cases and 36 civil defamation claims against journalists and other critics; prison sentences and/or financial damages followed in 14 and 30 of these cases, respectively.

Under strong international and domestic pressure, in March 2010 President Aliyev pardoned the editor of the opposition newspaper Azadliq, Ganimat Zahidov, who was sentenced for hooliganism in 2007. Other journalists were less fortunate. Eynulla Fatullayev—the editor in chief of two newspapers, Gundelik Azerbaijan and Realniy Azerbaijan, and a vocal critic of the authorities—has been in prison since 2007 on charges ranging from criminal libel to terrorism, inciting ethnic hatred, and tax evasion. Both of his newspapers were closed and the property confiscated. In late 2009, dubious new criminal charges of drug possession were brought against the incarcerated Fatullayev.

Fatullayev appealed to the ECHR, which ruled in April 2010 that Azerbaijan had “grossly” and “disproportionately” restricted freedom of expression by jailing him. The court ordered the Azerbaijani authorities to release him immediately. Instead, the authorities pressed additional drug possession charges against Fatullayev, for which he was convicted in July. Baku applied to the ECHR’s Grand Chamber to appeal the April decision; the appeal was rejected, thus the April ruling was made final. In November, an extraordinary plenary meeting of the Azerbaijani Supreme Court dropped the criminal charges against Fatullayev. It, however, ignored the ECHR judgment’s requirement to free Fatullayev immediately, and at year’s end he remained in prison on drug possession charges widely considered bogus. In December, the Supreme Court rejected Fatullayev’s appeal.

Television and radio remain the most influential media in Azerbaijan. AzTV, the country’s main national broadcaster, is financially supported by the state and operates under direct control of the presidential office. Print media have small circulation and unreliable distribution in regions beyond Baku. The few relatively influential newspapers tend to be politicized, either pro-government or pro-opposition, and few offer independent reliable coverage. In June 2010, the government introduced restrictions on street sales of newspapers in downtown Baku, citing aesthetic reasons.

As traditional media stagnate under government constraints, a vibrant and rapidly growing online community has formed over the past three years. Roughly 27 percent of the population has access to the internet, though some 90 percent of users rely on dial-up connections and internet access is still relatively rare in rural areas. Thousands of bloggers are reported to be active, but only a few hundred appear to be influential. Most of the country’s population continues to obtain news and information from traditional media.
Online media have gradually begun to fill the information vacuum created by pressure on traditional journalists, though it has yet to be seen whether they can offer commentary on political stories and investigate sensitive issues, as self-censorship extends to the blogosphere as well. Criminal charges have been used to limit new and electronic media, including internet blogging, as seen in the case of the two young bloggers, Milli and Hajizade. No specific legislation restricting the internet exists, although statements by top administration officials and the head of the National TV and Radio Company suggest that some controls may be forthcoming, including the licensing of internet-based television programming.\textsuperscript{37}

### Local Democratic Governance

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Azerbaijan’s system of local self-government was defined by the 1995 constitution and is carried out by both local bodies of state administration and elected municipal governments. The Law on Municipal Elections and the Law on the Status of Municipalities were adopted in 1999, the year of Azerbaijan’s first municipal polls, since then, 2,757 municipal governments have been established, ranging from small rural villages to large cities.

Municipal councils consist of 5 to 19 members, depending on the number of people residing in the territory governed. Councils are elected for five-year terms, and elections are held by a relative majority system in multi-mandate territories. In September 2009, the Milli Majlis passed a Law on the unification of municipalities whereby their number decreased to 1,766. Authorities argued that the reform increased the efficiency of local self-government, especially in territories with a small population. Critics, however, said this may result in fewer posts for local representatives.

In 2001, Azerbaijan ratified the European Charter of Local Self-Government, which endows municipalities with substantial responsibilities and decision-making authority. However, in reality, municipalities have few responsibilities and remain fully subordinate to the executive. Constitutional amendments in 2009 further decreased the independence of local self-governments, granting the state powers to “oversee” activities of municipalities, without clearly defining the exact scope of this supervision.\textsuperscript{38} Another ambiguously worded amendment called for municipalities to submit regular reports to the Milli Majlis; this represents yet another mechanism for imposing YAP’s authority at the local level.

The patterns of governance at the local level in Azerbaijan mirror those at the higher levels of administration. Municipal authorities are expected to align themselves with local branches of state administration, extensions of the ruling party and its structure. These provide access to and further distribute patronage, also ensuring electoral victory for individuals at the municipal level who comply with the ruling party’s wishes.
Local branches of state government carry out most functions assigned to municipalities (community service projects, renovations, citizen registration, social services, etc.), while municipal authorities handle issues such as road construction or social assistance for households not benefiting from state social programs. Patronage and access to resources without accountability are characteristic of local governance throughout the country.

There is little transparency in the work conducted by self-governance structures, and citizens have only vague ideas about what elected or appointed officials actually do. As a consequence, public trust in local self-government structures is low, especially in larger urban areas. Municipal authorities also lack adequate funding, as their real revenue represents only a small percentage of budgetary needs. Tax revenues that should boost municipal budgets are often misallocated to regional tax departments.

Local elections held in December 2009 were condemned by the opposition as the first ballot in which “the country’s leadership did not even bother to create a semblance of democracy.” The mayor of Baku continues to be appointed by the president despite strong calls by the CoE to make this an elected office.

In contrast to other municipalities, the exclave of Nakhchevan enjoys a strong degree of autonomous governance, but is also the most repressive region of Azerbaijan. The chair of the local parliament for the past 12 years, Vasif Talibov, who is also related by marriage to the Aliyev family, is said to run the region as his personal fiefdom. Restrictions on rights and freedoms are tight, and authorities engage in extreme authoritarian practices with full impunity.

Nakhchevan’s village of Bananyar witnessed a violent crackdown by the authorities on nonviolent demonstrators in late 2009 and early 2010. The demonstrations followed an incident in which 15 village elders were detained for meeting to mark the day of Ashura, a Shiite religious holiday, which the police saw as an “unauthorized gathering.” This sparked a 10-day standoff between demonstrators and the police, who were backed by troops from the Interior Ministry. More than 100 people were beaten and detained after police attacked the protesters on January 5. For several days the government denied any incident had occurred; later, they blamed the events on “the opposition and mentally ill people.” One demonstrator allegedly set himself on fire to protest the police beating of his elderly father. Some of the Bananyar protesters were jailed and others reportedly incarcerated in mental hospitals, an infamous practice of the Soviet era.

Judicial Framework and Independence

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Although the independence of Azerbaijan’s judiciary is guaranteed by the constitution, the judicial branch is highly dependent on the executive. In 2010,
Transparency International Azerbaijan assessed the judiciary’s independence at 58 percent. Due process violations are reported frequently, with little or no redress. The judiciary does not provide a genuine mechanism to remedy violations of human, property, or civic rights, with verdicts largely unrelated to the evidence presented during trials. This is especially true in politically sensitive cases or cases where the interests of influential figures may be at stake. The system is also rife with corruption, and deeply inefficient.

The 2009 constitutional referendum that lifted presidential term limits was followed by further legislative changes in 2009 and 2010 abolishing term limits for the posts of prosecutor general, chairman of the courts, and ombudsperson. Functionaries who currently staff these posts are presidential loyalists.

The executive’s influence is also evident in the assignment of judges to specific cases. There are rules established for the process, but in practice, high-visibility cases are typically heard by judges and prosecutors appointed by the executive branch. Prosecutors and defense attorneys have equal standing according to the constitution, but prosecutors are actually much more influential and often dominate the defense.

In some cases, the existing legal framework that regulates the judiciary lacks supporting legislation needed for implementation, or contains loopholes that allow for an arbitrary interpretation of laws. This has had a negative impact on the selection and promotion of judges. The ostensibly independent Judicial Legal Council, a body that administers the interview examinations of would-be judges, continued to be controlled by the Ministry of Justice with a lack of transparency, allowing space for corruption during the oral component of the selection process.

The 1995 Constitution guarantees open hearings in all law courts, except in cases that involve “state, commercial, or professional secrets or matters involving confidential, personal, or family matters.” Although court hearings are generally open, politically sensitive or high-profile cases are usually inaccessible to the public. The Court of Grave Crimes and the Court of Grave Military Offenses frequently refuse the right to a public hearing. Moreover, many due-process provisions are not observed, including—but not limited to—the presumption of innocence, the right of defendants to present evidence at trial, and the right of appeal.

The national judicial system is widely seen as an inadequate mechanism for seeking justice in general, and in politicized cases in particular. When Azerbaijan joined the CoE in 2001, citizens gained the right to appeal court decisions on human rights cases to the ECHR. In 2009, 361 applications originating in Azerbaijan were scheduled to be heard by an ECHR body, and citizens continued to appeal in 2010. However, international judicial mechanisms, such as the ECHR, have not always been effective in securing the rights of Azerbaijani citizens either. Most blatantly, the Azerbaijani authorities disregarded the ECHR’s April 2010 ruling that ordered the immediate release of newspaper editor Eynulla Fatullayev.

The Azerbaijani Constitutional Court is generally regarded as being greatly influenced by the executive. Constitutional Court judges, like Supreme Court and Appellate Court judges, are nominated by the president and must be approved by the Milli Majlis. The Constitutional Court was instrumental in approving President Aliyev’s March 2009 referendum and assuring its outcome.
On a positive note, some important aspects of judiciary reform have been implemented, often with international funding and technical assistance. Such improvements have contributed to building management capacity, upgrading court facilities, strengthening the professionalism of judges, improving staffing and technical capacity, and disseminating legal information to citizens. The World Bank, for instance, has supported large-scale judicial modernization efforts. Judicial reform is an element of the EU’s political dialogue and reform cooperation with Azerbaijan under the European Neighborhood Policy mechanism.

### Corruption

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Azerbaijan has consistently ranked among the world’s most corrupt countries. In 2010, Transparency International’s Corruption Perceptions Index ranked Azerbaijan 134th out of 178 countries assessed, on a par with Bangladesh, Honduras, and Sierra Leone. The 2010 U.S. State Department Report on Human Rights called Azerbaijan’s corruption “pervasive,” encompassing both the judiciary and the police.

Although the legislative and institutional framework for fighting corruption exists, corrupt practices permeate the society and anticorruption legal provisions are rarely implemented. The Anti-Corruption Commission and the Department for Combating Corruption are fully dependent on the ruling elite and have shown that they are not ready to challenge politically powerful interests or individuals. Similarly, the government’s second National Strategy for Increasing Transparency and Combating Corruption for 2007–2011 has yet to result in a measurable improvement of the corruption environment.

Corruption is said to cut across all levels and spheres of life in Azerbaijan with all echelons of the society complicit in corrupt practices. Bribes are commonly paid at all levels, with top officials reaping significant sums.

In addition to being a money-making enterprise, corruption is also a way of exerting political control. Accomplices in corrupt practices are closely tied to the authorities, who can selectively apply anticorruption legislation to control potential adversaries. Corruption has also enabled the ruling elite to extend its oil-funded patronage networks, thereby strengthening and entrenching the political status quo.

Legal loopholes abound and enable corrupt practices to blossom, most notably in the construction sector. One striking example in 2010 was the Baku airport highway reconstruction. The ongoing project—carried out by a company believed to be a proxy for Azerbaijan Airlines president Jahangir Askerov, who works in close partnership with the minister of transport—will cost US$450 million for 14 km of highway; in contrast, a 22-kilometer road funded by the World Bank in 2008 cost an estimated US$31 million to complete.
Financial disclosure is notoriously lacking among government officials. Although a 2006 law obliges officials, including the president, to submit declarations to the Anti-Corruption Commission, the cabinet has not prepared the relevant declaration forms. According to a March 2010 Washington Post article, the Dubai land registry contains entries of real estate worth US$75 million owned by Azerbaijanis whose names and ages match those of President Aliyev’s children. According to the article, in 2009 President Aliyev’s 12-year-old son Heydar allegedly acquired nine waterfront mansions in Dubai worth approximately US$44 million. Still, there is virtually no public debate in the country regarding high-level corruption.

Azerbaijan takes pride in being a successful implementer of the Extraction Industries Transparency Initiative (EITI). Its compliance with EITI has significantly increased the transparency of state oil revenues. According to the 2010 Revenue Watch Index, Azerbaijan ranks 9th out of 41 countries assessed, securing a rating of comprehensive revenue transparency—approximately 75 percent transparent, as compared to Brazil at 97 percent or Turkmenistan at 9.7 percent.

However, the management and expenditure of that revenue remain largely non-transparent and are prone to high-level corruption. Likewise, there is little transparency in public procurement and contracting; state investments account for 34 percent of total expenditures ($5.2 billion) in the 2010 budget. The Audit Chamber, the body tasked with overseeing public expenditure, is under political pressure by the authorities and generally weak. The Azerbaijanı police are widely believed to be the most corrupt among state agencies. Road police demand bribes as a matter of course, even if no offense is committed. The civil service is also affected by corruption; low-paid civil servants allegedly receive “gray envelope” payments as extra salaries and a means to increase their dependence on superiors.

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Ibid.

Ibid.

Ibid.


“В Азербайджане все кандидаты в депутаты смогут бесплатно выступить по телевидению” [In Azerbaijan all candidates will be free to speak on television], Kavkazskyi uzel, 15 October 2010, http://www.kavkaz-uzel.ru/articles/175574 (in Russian).


ICG, Azerbaijan: Vulnerable Stability, 12.


Ibid.


33 “Legal cases, and especially criminal cases, against those who report or broadcast on issues of public interest is a cynical attempt by the government to impose censorship,” Gogia said. “The government should be encouraging people to speak out freely, not punishing them.” See HRW, Beaten, Blacklisted and Behind Bars.


Ibid., 10.


Ibid., 11–12.

Ibid., 11.


Ibid., 12.

Ibid., 12.