

Azerbaijan in 2024: dizzy with success

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Azerbaijan's restoration of its territorial integrity in the period from 2020 to 2023 marked the culmination of a thirty-year effort. The country's foreign and security policy was subordinated to the overarching goal of recovering Nagorno-Karabakh and other lost territories. However, this objective also determined its domestic policy: it legitimised the necessity of its authoritarian rule, and even reinforced it by allowing the government to consider any opposition activity as *a priori* detrimental to the country's defence capabilities in the face of an external threat. The long-lasting conflict with Armenia also had important social (the influx of displaced persons and refugees) and cultural (nation- and state-building) dimensions. The recent military success has strengthened and legitimised President Ilham Aliyev's position as a victorious leader.

The gradual liquidation of the separatist Nagorno-Karabakh Republic coincided with Russia's invasion of Ukraine. This war boosted the interest in Azerbaijan on the part of both Russia and Western countries: the former embarked on a search for 'windows to the world' amid sanctions and a new formula for its presence in the region, while the latter sought to secure alternatives to Russian energy supplies. These circumstances have reinforced Azerbaijan's assertiveness and hardened its course. As the largest, most populous and richest country in the South Caucasus, Azerbaijan has for years displayed ambitions to become a regional leader. To this end, it has been working closely with Turkey to develop a network of transport routes that would benefit it. At the same time, unlike Georgia and Armenia, it has stayed out of political blocs, showing no aspiration to join either the Eurasian Economic Union and CSTO or the European Union and NATO.

Ilham Aliyev's system

Azerbaijan's political system has been shaped and solidified during the two decades of Ilham Aliyev's rule, although its foundations were laid by his father and predecessor, Heydar Aliyev, the country's president from 1993 to 2003, and previously the long-time leader of the Azerbaijani republic within the Soviet Union. The characteristic feature of the Azerbaijani system is the absolutist position of the executive and the president, while the legislature and the judiciary represent the other two branches of government in name only. Aliyev is the key figure and linchpin of this system; he personally takes the most important decisions, including on staffing, foreign policy, defence and the strategic sectors of the economy, such as oil and gas, and more recently green energy.



Azerbaijan's authoritarianism is highly repressive towards its political opponents, but it has provided operating space for small & medium-sized businesses, and shown considerable tolerance with regard to the choice of individual life strategies (a wide range of educational opportunities and free labour migration are available). Opposition parties and independent circles play virtually no role in the country's political life; their scope for action was further limited by the laws on the media and political parties that were adopted in 2022–3. An estimated 300 political prisoners are currently detained in Azerbaijan.¹ In the 2023 Democracy Index, it ranked 130th out of the 167 countries assessed and only came ahead of the likes of Russia, Uzbekistan and Belarus, which were down in 144th, 148th and 151st places respectively.² In the Corruption Perceptions Index 2023, it ranked 154th out of 180 countries.³ As the administrative apparatus exercises strict control over religion, independent Muslim communities *de facto* operate underground. For this reason it is difficult to assess their potential, but we can expect them to come out of the shadows in the event of any major upheavals, such as could be triggered by an economic crisis or developments related to the succession of power (another attempt to hand over power within the Aliyev family is a conceivable scenario).

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On 7 February 2024, Ilham Aliyev won the presidential election for the fifth time. In the assessment of the OSCE Office for Democratic Institutions and Human Rights, this vote was marked by “the stifling of critical voices and the absence of political alternatives.”⁴ According to official data, Aliyev received more than 92% of the vote. This election had been called ahead of schedule: according to the constitution it should have been held in the autumn of 2025. It appears that Aliyev had decided to bring the vote forward to ensure his re-election and the prospect of another seven years in power in view of the upcoming elections in Russia (March 2024) and the US (November 2024) as well as the uncertain global situation, including Russia’s invasion of Ukraine and unrest in the Middle East. Each successive election in Azerbaijan resembles a ritual plebiscite, even though at present Aliyev’s popularity is genuinely very high.

Azerbaijan-Armenia: peace on the former’s terms

Although Azerbaijan has regained control of its entire territory⁵ and Armenia has reaffirmed that it has no territorial claims,⁶ to this day the two countries remain effectively at war: they have not established diplomatic relations, and the borders between them (as well as those between Armenia and Turkey) remain closed. Both of them have expressed their desire to conclude a peace treaty, but specific issues stand in the way of this. These relate in particular to the course of the roads which are expected to connect the two countries in the future, most notably that between Azerbaijan’s core territory and the Nakhichevan exclave. Azerbaijan effectively wants to turn it into an extraterritorial corridor under the (presumably temporary) control of Russian border troops (the so-called Zangezur

¹ ‘Not a single political prisoner has been pardoned – human rights activists’, Turan news agency, 25 May 2024, [turan.az/en](https://www.turan.az/en).

² ‘Democracy Index 2023. Age of Conflict’, Economist Intelligence, [eiu.com](https://www.eiu.com).

³ Corruption Perceptions Index 2023 – Azerbaijan, Transparency International, [transparency.org](https://www.transparency.org)

⁴ ‘Election Observation Mission. Republic of Azerbaijan – Early Presidential Election, 7 February 2024. Statement of Preliminary Findings and Conclusions’, OSCE/ODIHR, [osce.org](https://www.osce.org).

⁵ Following the Second Karabakh War (autumn 2020), Azerbaijan recovered all the territories located outside the former Nagorno-Karabakh Autonomous Oblast and the southern part of Nagorno-Karabakh itself. In September 2023, following a rapid military operation, Azerbaijan took control of the rest of Nagorno-Karabakh.

⁶ Armenia’s Prime Minister Nikol Pashinyan explicitly recognised Azerbaijan’s territorial integrity during his speech to parliament on 13 April 2022. See W. Górecki, ‘Yerevan’s radical turn in its Nagorno-Karabakh policy’, OSW, 15 April 2022, [osw.waw.pl](https://www.osw.waw.pl).

corridor along the Armenian-Iranian border).⁷ Armenia, for its part, seeks to retain its own oversight over this route, but it has pledged that all the border procedures will be kept to a minimum (it has accepted the potential use of electronic clearance).

Azerbaijan, which is working to establish peace on its own terms, has employed a negotiating tactic of exerting constant pressure on Armenia. In its determination to

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force its weakened neighbour into making concessions, Azerbaijan has been escalating its demands and presenting them from a position of strength, although it may be prepared to back down from some of these as the negotiations move forward. For example, in January 2023 Aliyev said that the Zangezur corridor will be launched, “whether Armenia wants it or not”, which could be understood as a promise that Azerbaijan would ‘break through’ by force⁸; earlier he called “western Azerbaijan”, that is present-day Armenia, “our historical land.”⁹ On 23 April 2024, during the COP29 and Green Vision for Azerbaijan conference, he said that if Armenia did not want a peace treaty “we will live without it”, although he stressed that this would hurt Armenia itself by deepening its isolation, while the road to Nakhichevan could run through Iran.¹⁰

In response to Azerbaijan’s unexpected, ultimatum-like demand (the threat of a new war), on 24 May 2024 Armenia finally handed Azerbaijan four villages in the Tavush province, which had been under Armenian control for more than three decades.¹¹

Foreign policy gets tough

As with its talks with Armenia, Azerbaijan has been assertive towards other, particularly Western countries, notably France, which has repeatedly demonstrated its support for Armenia in various ways, including militarily. In January 2024, after the French Senate almost unanimously adopted a resolution calling for sanctions against Azerbaijan,¹² the Azerbaijani parliament’s foreign affairs committee recommended that the government impose retaliatory measures against France, and instructed the foreign ministry to take steps towards recognising the independence of a number of French territories.¹³ The two countries had earlier expelled each other’s diplomats. In mid-May this year, the French government accused Azerbaijan of fomenting unrest in New Caledonia, where the separatist Kanaks displayed Azerbaijani flags during riots.¹⁴

The bias allegedly displayed by France (and, by implication, other EU member states) in the conflict between Azerbaijan and Armenia prompted the government in Baku to scrap a planned meeting between President Aliyev and Prime Minister Pashinyan on the sidelines of the European Political

⁷ The participation of Russian border troops in protecting this road was included in the statement by the leaders of Armenia, Azerbaijan and Russia that ended the Second Karabakh War. Although many of those arrangements are no longer relevant, Azerbaijan (perhaps under Russia’s influence) has insisted that this provision be respected.

⁸ ‘Ilham Aliyev was interviewed by local TV channels’, President of the Republic of Azerbaijan, 10 January 2023, president.az.

⁹ ‘Ilham Aliyev viewed conditions created at administrative building of Western Azerbaijan Community’, President of the Republic of Azerbaijan, 24 December 2022, president.az.

¹⁰ ‘Ilham Aliyev attended the International Forum “COP29 and Green Vision for Azerbaijan”’, President of the Republic of Azerbaijan, 23 April 2024, president.az.

¹¹ This triggered a wave of large-scale protests in Armenia. See K. Strachota, W. Górecki, ‘The archbishop’s revolt: the culmination of anti-government protests in Armenia’, OSW, 28 May 2024, osw.waw.pl.

¹² This was prompted by the military operation in September 2023, as a result of which virtually all Armenians fled Nagorno-Karabakh. ‘French Senate adopts resolution calling for sanctions against Azerbaijan’, *Asbarez*, 17 January 2024, asbarez.com. After the Second Karabakh War, the French Senate adopted a resolution calling for the breakaway Nagorno-Karabakh Republic to be recognised as independent.

¹³ See a tweet by the *caliber.az* news site, 18 January 2024, x.com/caliberaz.

¹⁴ ‘Часть Новой Каледонии вышла из-под контроля властей’, *Эхо Кавказа*, 17 May 2024, ekhokavkaza.com.

Community summit on 5 October 2023.¹⁵ Since then the leaders of Armenia and Azerbaijan have not met under the EU's auspices at all: they only held talks in the presence of Chancellor Olaf Scholz at the Munich Security Conference on 17 February 2024. Azerbaijan's current position is that the negotiations should proceed without intermediaries (understood as mediators), but only with the support of 'facilitators' providing a neutral space for talks. Two meetings between the two countries' foreign ministers have already taken place under this arrangement: in late February in Berlin, and in the first half of May in Almaty.

Azerbaijan appears to have hardened its position towards the West (and, to a lesser extent, its other partners), but in fact it has followed a similar line since the

days of Heydar Aliyev: it has kept its distance from political blocs while being open to economic cooperation with the wider world. From the outset, Azerbaijan has not sought to join either the Euro-Atlantic organisations or the Russian-controlled post-Soviet formats; in fact, it currently describes itself as a 'non-bloc' state. This stems from its location, the conflict around Nagorno-Karabakh, and the country's reserves of raw materials, which make it attractive to foreign partners. The attitude of distrust on the part of its ruling elite has also played a major role: the West was, and still is, suspected of seeking to orchestrate a 'colour revolution'; Russia of aiming to destabilise the situation with the help of the Azerbaijani diaspora and national minorities; and Iran of spreading radical Islam in its Shiite version. Azerbaijan has suspected all these players, even 'fraternal' Turkey, of seeking to draw it into risky games. One echo of this mindset is the fact that the country's land borders, which were closed in the early spring of 2020 after the COVID-19 pandemic broke out, have still not reopened.¹⁶

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Azerbaijan is particularly sensitive to criticism from Western countries and organisations regarding the state of human rights and civil liberties in the country. It perceives this as interference in its internal affairs and attempts to impose political solutions from outside. In the successive stages of its deteriorating relations with the West, the Azerbaijani government has shut the local office of the OSCE (June 2015¹⁷) and the mission of the US development agency USAID (November 2023¹⁸). In January this year, the Council of Europe excluded Azerbaijani deputies from the proceedings of its Parliamentary Assembly in 2024 due to large-scale human rights violations in the country, including the detention of political prisoners; it also cited the corruption scandal known as 'Azerbaijani Laundromat',¹⁹ which involved bribing the Council's deputies. In response, President Aliyev has announced that Azerbaijan could consider leaving the Council of Europe.²⁰

Yes to modernisation, no to Westernisation

Against this backdrop, relations with Russia have been developing at what could be considered the minimally proper level. Just before the Russian invasion of Ukraine, on 22 February 2022 Vladimir Putin and President Aliyev signed a declaration in Moscow on allied interaction, in which they mutually

¹⁵ W. Górecki, 'Another war or a deal? A new phase in the Azerbaijani-Armenian conflict', OSW, 18 October 2023, osw.waw.pl.

¹⁶ 'Entry rules to the Republic of Azerbaijan during COVID-19 pandemic' (accessed 26 May 2024), The Ministry of Foreign Affairs of the Republic of Azerbaijan, mfa.gov.az. In Aliyev's view, the closed land borders are good for the country's security, as potential threats come from abroad – see 'Ilham Aliyev attended the International Forum...', *op. cit.*

¹⁷ A. Jarosiewicz, 'Azerbaijan expels the OSCE', OSW, 17 June 2015, osw.waw.pl.

¹⁸ W. Górecki, 'The EU's ambivalent neighbours. Brussels on the South Caucasus', *OSW Commentary*, no. 582, 15 March 2024, osw.waw.pl.

¹⁹ 'Challenge, on substantive grounds, of the still unratified credentials of the parliamentary delegation of Azerbaijan', The Parliamentary Assembly of the Council of Europe, Resolution no. 2527 (2024), 24 January 2024, pace.coe.int. This document contains references to previous resolutions on issues such as human rights violations and corruption.

²⁰ 'Azerbaijani president threatens to exit top European bodies', Eurasianet, 2 February 2024, eurasianet.org.

recognised the territorial integrity of their respective countries (by implication, this includes the recognition of Crimea as part of the Russian Federation). This may have suggested that Azerbaijan supported the Kremlin's moves, but in practice it amounted to a concession forced by Russia (Azerbaijan also recognises the integrity of Ukraine). In the following months, Azerbaijan, backed by Turkey, repeatedly 'tested' Moscow's response: it occupied some areas in Nagorno-Karabakh that lay within the zone of responsibility of the Russian peacekeeping forces which had been deployed in the conflict area after the Second Karabakh War²¹ and blocked the local Armenian population from leaving until early October 2023. In this way, Azerbaijan was making it clear to Russia that it had to reckon with Baku's vision – something which Moscow had to accept.

At the same time, however, Azerbaijan has respected Russia's vital interests by preventing the West from increasing its presence in the region (it has refused to cooperate with the EU's mission in Armenia). In April 2024, the two countries agreed on the withdrawal of the Russian peacekeeping forces, which were due to have been stationed in the area until November 2025.²² This suggests that they have been engaged in an intensive dialogue, often conducted outside of public view, with the aim of agreeing positions on matters of importance to one or both sides. This may include the possible participation of Russian soldiers in protecting the future road to Nakhichevan.

Azerbaijan's only strategic partner is Turkey, which provided it with effective support during the Second Karabakh War. The victory parade that Presidents Aliyev and

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Recep Tayyip Erdoğan jointly received in Baku after that conflict ended, together with the declaration they signed in June 2021 in the Karabakh town of Shusha, have become symbols of the two countries' relationship as allies. These close ties stem from the strategic choices that both Azerbaijan and Turkey made three decades ago. Their multifaceted efforts to enhance cooperation have varied in intensity over time, but their direction has remained constant. This has led to the formation of the Ankara-Baku axis, which has reduced Russia's (and ultimately the West's) influence in the region. For Azerbaijan, Turkey is not only a political ally, but also a guarantor of security and a partner in major infrastructure projects such as the Baku-Tbilisi-Ceyhan oil pipeline, the Baku-Tbilisi-Erzurum gas pipeline, the Trans-Anatolian gas pipeline and the Baku-Tbilisi-Kars railway.²³

The implementation of these projects has generated large profits for Azerbaijan and allowed it to invest in roads and airports. However, it has also made the country dependent on revenues from hydrocarbon exports, and thus vulnerable to fluctuations in price and demand. In addition, it has increased the disparities between Baku and the Azerbaijani countryside, and exacerbated social stratification within the country. In 2023, mineral fuels & oils and the products of their distillation accounted for 91% of the country's total export revenues (over \$31 billion).²⁴ At the same time, in December 2022, Azerbaijan's GDP per capita stood at \$5590, only \$151 higher than Georgia and \$474 higher than Armenia.²⁵ These figures show that Azerbaijan's economic success is relative and does not guarantee stable development.

²¹ W. Górecki, K. Strachota, 'The undeclared war. A new phase of the Azerbaijani-Armenian conflict', *OSW Commentary*, no. 496, 6 March 2023, osw.waw.pl.

²² K. Strachota, A. Wilk, 'Russia is withdrawing its forces from Nagorno-Karabakh', *OSW*, 19 April 2024, osw.waw.pl.

²³ W. Górecki, M. Chudziak, 'The (pan-)Turkic Caucasus. The Baku-Ankara alliance and its regional importance', *OSW Commentary*, no. 374, 1 February 2021, osw.waw.pl.

²⁴ 'Azerbaijan Exports by Category', *Trading Economics*, tradingeconomics.com.

²⁵ At the same time, GDP per capita at purchasing power parity is about \$1000 higher in Armenia than in Azerbaijan. See 'Azerbaijan GDP per capita, Georgia GDP per capita, Armenia GDP per capita', *Trading Economics*, tradingeconomics.com.

In order to reduce the economy's dependence on fossil fuels, Azerbaijan wants to develop the green energy sector, especially wind energy,²⁶ and create a transport hub in the country. This project would connect the existing routes (which are essentially latitudinal and fit in with the idea of the Middle Corridor bypassing Russia²⁷) with the emerging longitudinal links. This would make it possible to transport goods by rail from Russia to Turkey and from Iran to Georgia.²⁸ In this context, the opening of a road and railway line to Nakhichevan (and on to Turkey) via Armenia (or alternatively via Iran) is vital for Azerbaijan in particular, but is also important for Turkey and Russia. In addition, Azerbaijan wants to sideline Armenia and take over the transit traffic that flows from Iran to Georgia and on to Russia. To this end, it has been building a two-lane road running from its border with Iran to the western city of Ganja along its border with Armenia.

Finally, cooperation between Azerbaijan and Turkey has an important cultural dimension. For Azerbaijan, Turkey is a developmental and civilisational model which in-

volves rapid modernisation, but in a different manner than in the West: specifically, one without the procedures, tenders and consultations which are common in Western logistical and legal culture but which delay the implementation of major projects and events aimed at demonstrating the country's prestige and power (Baku has hosted the European Games, the Eurovision Song Contest and regular Formula One races; in a few months it will host the COP29 climate conference). For the Azerbaijani president, the model of government based on strong leadership which has characterised the more recent period of Erdoğan's rule (since the mid-2010s; however, strong opposition parties and an open public debate still exist in Turkey), may also be attractive. It appears that in Aliyev's vision, Azerbaijan is an efficient, modern state with a strong executive power, which culturally does not belong either to the broader Middle East (as it is a strictly secular state) or to Europe.

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Potential threats to the regime

Implementing Aliyev's policies and his concept of modernisation requires an efficient civil service and diplomatic corps. For at least a decade, many central offices, agencies and ministries have been headed by relatively young technocrats, most of them educated in the West, who have no political support base or their own business interests. They have replaced the oligarch-ministers who controlled certain areas of the economy since Heydar Aliyev's days and entrenched themselves with their own clientele networks, as well as the activists who were appointed during the first years of the current president's rule. Ilham Aliyev's wife Mehriban, who has served as first vice-president since February 2017, is considered to be the informal patron of this group of technocrats. The most prominent figure among them is Mikhail Dzhabbarov (born 1976), who has been the minister of economy since 2019 and previously headed other ministries; he has held ministerial positions since 2004. These 'young technocrats' are not members of the inner circle of power: this consists of individuals from political and business groups known as 'clans', who are often related to the presidential family.

It appears that the two biggest (hypothetical) threats to Aliyev's rule include spontaneous popular revolts and friction within the elite. In the past, both of these have most often occurred amid crises which were usually triggered by prolonged falls in oil prices. Such downturns put the middle and

²⁶ K. Całus, A. Sadecki, W. Górecki, 'The South Caucasus-EU green electricity bridge plan', OSW, 27 December 2022, osw.waw.pl.

²⁷ Konrad Popławski *et al.*, *The Middle Corridor. A Eurasian alternative to Russia*, OSW, Warsaw 2024, osw.waw.pl.

²⁸ 'Ilham Aliyev attended the International Forum...', *op. cit.*

lower class at risk of losing their jobs and livelihoods, while the elite saw their own incomes erode.²⁹ However, the backdrop to the tumultuous grassroots demonstrations in July 2020 was provided by the fierce Azerbaijani-Armenian fighting that flared up on the two countries' border north of Nagorno-Karabakh. An estimated 30,000 people gathered in Baku to demand retaliation, and tried to force their way into the parliament. It is possible that these violent incidents precipitated the decision to launch the Second Karabakh War two and a half months later. This may have been a pre-emptive 'leap forward' on the government's part stemming from fears of new unrest. In the event of a crisis on a very large scale, the informal religious communities could also join the fray, taking the side of the 'people'.

The regime's stability could also be upset by the succession process. Ilham Aliyev, born in 1961, may rule for many more years to come as the law does not limit the number of presidential terms, but it is reasonable to assume that at some point he will start looking for a successor. We cannot rule out the possibility that he could pick his son Heydar Jr. (born 1997). So far, the only indication that this might happen came with the constitutional referendum in September 2016. The amendments that were approved in it abolished the age restriction for presidential candidates (which would allow Heydar Jr. to run) and introduced the institution of vice-president, who assumes the head of state's duties in the event of their death or permanent incapacity.

In 2024, Azerbaijan is a stable country that has been strengthened by its recent military success, with no apparent threats to Aliyev's rule. It has been able to pursue an active and effective policy, both foreign and domestic, thanks to its professionalised administration. Its efficient ASAN agency, which makes it possible to deal with official matters (obtaining documents, certificates and, in the case of foreigners, visas) in person or online, has virtually eliminated bribery and bureaucratic favouritism – although this does not mean that systemic corruption has been eradicated. The president's other strength is that there is no alternative to him: the traditional opposition parties have been suppressed while the most committed members of networked youth movements, independent bloggers, activists and journalists face prison sentences or are forced to emigrate.

At the same time, the growing gap between the system's beneficiaries and the rest of society, as well as the deepening stratification fuelled by the economy's reliance on oil and gas, may pose a long-term risk to the system. Hence, the government has made efforts to develop the green energy, transport, agriculture and IT sectors. The current mechanism of stabilising the domestic situation through successes in foreign and security policy that carry a powerful symbolic value, together with the use of an elaborate system of control and repression, may prove insufficient either to harness social energy and maintain the country's sustainable development or to preserve the system's stability in the long term.

²⁹ A. Jarosiewicz, 'Azerbejdżan – niskie ceny ropy testem dla stabilności', OSW, 12 February 2015, osw.waw.pl; *idem*, 'Azerbaijan – the rage of the people', OSW, 20 January 2016, osw.waw.pl.