Power and Policy Making: The Case of Azerbaijan*

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Abstract: One of the most crucial challenges to a democratic society is the need to forge a balance between the instinct to be inclusive (designing government institutions so as to include as many voices as possible in decisions) and the competing instinct to be exclusive (to design institutions so as to exclude as many voices as possible). This is especially true in countries transitioning towards democracy. In turn, this paper examines the case of Azerbaijan, which is of growing strategic value to many nations throughout the world due to its vast hydrocarbon resources and its geographic location. We present a qualitative research design that employs Arend Lijphart’s classification scheme for democracies. The goal of this research design is to determine what consequences the type of democracy in Azerbaijan will have on the foreign policies of states with an interest in Azerbaijan.

Introduction

One of the most crucial challenges to a democratic society is the need to forge a balance between the instinct to be inclusive (designing government institutions so as to include as many voices as possible in decisions) and the competing instinct to be exclusive (to design institutions so as to exclude as many voices as possible). This is especially true in countries transitioning towards democracy. These countries often have a heterogeneous society as well as the presence of historical conflicts that divide the population. Because these are just a few of the factors that can impede democratic transitions, institutions must be designed to maximize the chances for political stability.

One country transitioning towards democracy is Azerbaijan, which began with independence in 1991. Azerbaijan is of increasing importance because of the fact that many nations have a foreign policy interest in this former Soviet state due to its geographic location along the Caspian Sea and because of its vast hydrocarbon resources. In the 19th Century, while part of the Russian Empire, Azerbaijan experienced an unprecedented oil boom which attracted international investment. By the beginning of the 20th century, it was supplying almost half of the world’s oil.

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for the case of Azerbaijan. The goal of this is to determine the prospects for political stability in Azerbaijan and, in turn, what consequences the type of democracy forming in Azerbaijan will have on the foreign policies of states with an interest in it.

In the first section, we discuss Azerbaijan’s experience with democratization and summarize the existing literature on Azerbaijani democracy. The argument is made that although what type of political system exists in Azerbaijan is ambiguous, it is not completely devoid of democracy. This leads into the next section, which makes the case for a prospective analysis. It is here that we constructively critique Lijphart. This allows us to refine his model of democratic classification. We lay out our research design in the section that follows. Next is a discussion on what we expect to find once we implement the design. The paper concludes by summarizing the preceding and discusses the theoretical and foreign policy implications that will serve as a basis for future research.

**Democratic Transition in Azerbaijan**

Azerbaijani democratization proves to be a tumultuous experience. This period of disorder began in the fall of 1989 when the nationalist opposition party the Azerbaijani Popular Front (APF) led a wave of protest strikes to express the growing political opposition to Azerbaijan Communist Party (ACP) rule. This pressure led the ACP to legalize the APF and declare Azerbaijani sovereignty. In turn, in September 1989, Azerbaijan became one of the first Soviet republics to pass a resolution of Sovereignty. However, in November, the Presidium of the Supreme Soviet declared this resolution invalid leading to further nationalist ferment in the form of riots along the Iranian border, the destroying of border checkpoints, and the crossing of Azerbaijanis into Iranian provinces that had Azerbaijani majorities. Moreover, at the same time, Azerbaijanis unleashed a wave of violence throughout the country against Armenian residents. Moscow eventually declared martial law and declared the APF and other opposition parties illegal to quell the protest and violence.

In May 1990, the Azerbaijani Supreme Soviet elected Ayaz Mutalibov as first secretary of the ACP. Following the failed August 1991 coup against the Gorbachev regime, Mutalibov moved quickly to insulate his rule from Moscow's retribution. In September, Mutalibov became President of Azerbaijan without electoral opposition even though the APF made charges that the electoral process was corrupt. The process towards formal independence then began on October 18. In December, Azerbaijan officially became independent of the Soviet Union.

At the time of independence, political unrest was still ongoing and Azerbaijan became entangled in a debilitating conflict with Armenia over the predominately Armenian populated enclave on Azerbaijan’s territory Nagorno-Karabakh. Therefore, “Azerbaijan became independent under less than ideal and ordinary conditions” (Cornell, 2001: 118). Political, military, and financial chaos also prevented reforms from being implemented in most areas (Federal Research Division, 2004).

These conditions contributed to the fall of several governments. Mutalibov remained in power only until February 1992, when opposition parties forced him to resign due to a costly battle in Nagorno-Karabakh. The President of Azerbaijan’s Supreme Soviet, Yakub Mamedov, became acting president, but military defeats in Nagorno-Karabakh forced him from power in

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2 The resolution proclaimed Azerbaijan's sovereignty over its land, water, and natural resources and its right to secede from the Soviet Union following a popular referendum.
May. Loyalists in the Supreme Soviet then reinstated Mutalibov as President. However, after only two days in office, he fled the country when crowds led by the APF stormed the government buildings in Azerbaijan’s capital Baku.

The transition towards Azerbaijani democracy began on June 7, 1992 when one of the freest elections in the post-Soviet sphere occurred. APF leader and intellectual Abulfaz Elchibey won over 59 percent of the vote in a five-candidate electoral contest forming Azerbaijan's first post-communist government. Under the APF, Azerbaijan clearly developed in a democratic direction and Elchibey’s government is widely credited for having laid the basis for democracy (Cornell, 2001). However, the transition process towards democracy eventually became a particularly formidable task.

According to Horowitz (2003), the Armenian conflict distracted the APF from its political and economic reform agenda leading to its downfall; it fell via a Russian backed military coup. Furthermore, Taghiyeva (2000) argues that the process of nation building in Azerbaijan became especially difficult since the nation never experienced democratization. The presence of traditional Muslim values and the absence of certain civil and political rights indicate that Azerbaijan was not ready to accept Western style democratic reforms. Consequently, these factors caused Elchibey to serve as president for only a year.

Elchibey’s fleeing of the country allowed the former President of the ACP, Heydar Aliyev, to return to power as President in an October 1993 election. Aliyev won almost 99 percent of the vote. Aliyev was one of the most influential figures in the entire Soviet Union during the 1980s. He was President of the ACP from 1967 to 1987, a full Politburo member, and a first deputy chairman of the Soviet Communist Party. This worried the political opposition in Azerbaijan, especially as Aliyev gradually consolidated his rule after his electoral victory (Cornell, 2001).

Nevertheless, during his 10 years in office, Aliyev, at least ostensibly, continued the democratization process that began in 1992. Aliyev promised a new constitution and democratic rule. Moreover, even though former communists dominated government policy making during Aliyev’s time in office, the APF remained a powerful opposition force (Federal Research Division, 2004). Finally, given his Soviet past, most regional and international observers assumed that Aliyev would be Moscow’s man. Subsequent evidence has shown, however, that Aliyev’s main support has come from the same quarter that had supported Elchibey —Turkey. In fact, the Turkish Foreign Ministry had always suspected Elchibey of being too inexperienced and erratic to lead Azerbaijan in such a complicated internal and regional context, and it saw Aliyev, with his vast political experience at the highest level, as the one man who could manage the task. (Cornell, 2002: 120)

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3 Hiro (1998) actually argues that by creating a common enemy in Armenia, the conflict boosted Azerbaijani nationalism and turned the fledging nationalist Popular Front into a rival of the ruling Communist Party. The conflict, in turn, engendered national unity allowing for the climate of tolerance and compromise essential for the rise of democratic politics.

4 Gorbachev removed Aliyev as President of the ACP for health reasons in 1987. However, it was later confirmed that, in fact, accusations of corruptions precipitated his removal.

5 Observers characterized the 1995 parliamentary elections as a farce, with Aliyev’s supporters winning over 90 percent of the vote. After the elections, however, the opposition was gradually given greater representation in parliament, eventually coming to control more than a quarter of the seats (Cornell, 2002).
Even though Aliyev’s goal as President appeared to be a democratic Azerbaijan, analysts differ on the subject of what type of political system existed his time in office. Rasizade (2002, 2003) believes that the class struggle for power and wealth among the elites defined the country. Furthermore, Nascimento (2002) argues that Azeri elites used nationalism and aggressive foreign policies to gain support from the masses and safeguard for their power and interests. Horowitz (2003) argues that Azerbaijan was a consolidated personalist dictatorship. Juviler (1998) concludes that Azerbaijan was a pseudo-democracy; maintaining the façade of democratic institutions and practices which are in fact powerless, while ignoring the law and citizen rights. Finally, Cornell (2001) posits that Azerbaijan was neither a democracy nor a clear cut authoritarian state. Indeed, the pendulum swings between the two.

Political events during the Aliyev period justify this uncertainty over what political system existed. For example, in November 1995, the first post-Soviet parliamentary elections occurred. Aliyev’s New Azerbaijani Party (NAP) won most of the seats. However, five leading opposition parties and approximately 600 independent candidates were not permitted to run in the elections. In October 1998, Aliyev won re-election with more than 70 percent of the vote, but allegations of serious irregularities marred the election. In November 2000, the NAP once again captured a majority of seats in parliamentary elections with the two main opposition parties, the APF and Communist Party, coming in second and third, respectively, along with international monitors claiming that there was mass electoral fraud. Despite this, the Council of Europe approved Azerbaijan’s application for membership just days after the election. Finally, in August 2002, a national referendum led to the adoption of several constitutional amendments which critics charged would strengthen the party’s grip on power.

On October 2, 2002, Aliyev announced he would not be running for re-election due to his declining health. In turn, the NAP nominated his son, Ilham, to run in his place.6 On October 15, 2003 presidential elections occurred with the Ilham Aliyev winning nearly 77 percent of the vote and defeating seven challengers. On December 12, the elder Aliyev died and his son began his attempt to put his stamp on Azerbaijani politics, particularly through a commitment to democracy. He also began to consolidate his place among the country’s ruling elite.

On November 6, 2005 parliamentary elections were held with the NAP winning 56 of the 125 seats. There was concern about widespread intimidation of opposition supporters. However, President Aliyev acknowledged that there were election irregularities in a handful of constituencies. He ordered reruns.

Confusion over exactly what type of political system exists in Azerbaijan is still ubiquitous. From 1997 to 2002, Freedom House (2005) classifies Azerbaijan as partly free, whereas from 2003 to 2005 they deemed it not free. Thus, in the spirit of Cornell (2001), the pendulum appears to swing between democracy and authoritarianism. Nevertheless, the above evidence suggests that Azerbaijan is not completely devoid of democracy. This justifies selecting Azerbaijan as case for prospective democratic analysis.

The Case for a Prospective Analysis

Even though justifiable for selection, the case of Azerbaijan is problematic given the existing classification scheme developed by Lijphart (1999). Lijphart claims that any analysis of

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6 When his father died Iliham was already prime minister, vice chairman of the state oil company, and the deputy leader of the NAP.
a case not fully democratic for at least 20 years may be suspect because the analysis is subject to arbitrary results that may be purely anecdotal in nature (Ibid: 53). He bases his position on ensuring that valid results can be obtained. However, this type of precautionary social science denies the political reality of the world. As touched on in the introduction, fledgling democracies are often the most vulnerable and thus need to be studied in order to develop an effective understanding of the dynamics of the case. Secondly, this statement denies Lijphart’s own premise about producing institutions that are contextually appropriate, particularly in highly diverse states. For these reasons, this section of the paper outlines the definitional material of democracy in the existing literature and critiques Lijphart. The section that follows details the necessary revisions to Lijphart’s model that will make it appropriate for prospective analysis.

Lijphart uses a definition of democracy derived from Robert Dahl’s (1971) eight dimensions of polyarchy. These definitional points are of some use as a general guide to an ideal type of democracy. Lijphart takes his measure of democracy from Freedom House’s Freedom in the World rankings (2005). This measure is an average of two indices rating political freedoms and civil liberties. These scores produce rankings of free, ranging from 1 to 2; partially free, ranging from 3 to 5; and not free, ranging from a rating of 5.5 to 7. The multivariate approach to measuring freedom makes this index particularly helpful in determining the existing level of democracy in a comparative context. Therefore, prospective analyses need to incorporate the Freedom House Index when making forecasts about likely outcomes and potential policy options that would bolster democratic aspirations.

Next, Lijphart employs measures of cultural pluralism and economic development (1999: 56-60). He classifies cultural pluralism as either plural, semi-plural, or non-plural based on the number of ethnic groups in a polity and taking the first difference between these groups. This measure works well for the prospective model, but additional thick description regarding historical grievances must be included in the case analysis so the measure can achieve validity. Lijphart’s measure of human development comes from United Nations Human Development Indicators. These indicators provide an excellent measure of human capital in a given country, but fail to measure income inequality. The GINI index provides an excellent measure of inequality and is essential if the key level of political stability is to be fully understood.

A dual classification scheme based on 10 dimensions derived from executive-parties and federal-unitary characteristics is the basis for Patterns of Democracy (Lijphart, 1999). The executive-parties issues are as follows: 1. Concentration power in single party majority cabinets versus executive power sharing in multiparty coalitions; 2. Executive-legislative balance of power; 3. Two party versus multi-party systems; 4. Majoritarian and disproportional electoral structures versus proportional systems; 5. Pluralist interest group structures contrasted by corporatism.

The executive-parties dimensions are particularly problematic given the nature of a developing polity such as Azerbaijan. Firstly, data may not be present in order to adequately measure the nature of the political system. Examples of this include problems with the formation of civil society and political parties, development of adequate measures of district magnitude,

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7 Dahl’s dimensions of polyarchy are as follows: 1. The right to vote; 2. The right to be elected; 3. The right of political leaders to compete for support and votes; 4. Elections that are free and fair 5. Freedom of association; 6. Freedom of expression; 7. Alternative sources of information; 8. Institutions for making public policies that are dependant upon votes and other expressions of preference.

8 The GINI Index is a calculation of income distribution within a country. For clarification of the role of income disparity and political stability see Muller and Seligson (1987).
and determining the nature of interests affecting the state. The occurrence of serious electoral irregularities in Azerbaijan makes data suspect as well.

Federal-unitary measures are more easily measured because these dimensions are primarily focused on political structures in the existing polity. The five federal-unitary dimensions put forth by Lijphart (1999) are: 1. Federal versus unitary political units; 2. Concentration versus division of legislative power; 3. Constitutional amendment procedures; 4. Presence or absence of judicial review; 5. Level of central bank autonomy. All of these measures can easily be identified using the existing criteria put forth by Lijphart or by a cursory description of the case, making this the strongest set of measures for a democratizing state.

It is now obvious that problems relating to data and methods incorporated in the existing Lijphartian classification scheme do suffer serious constraints when being applied to a developing case such as Azerbaijan. In order to overcome these problems we develop an exploratory case design to provide a model for evaluating democratizing states. A case study provides the necessary contextual background to move beyond these impasses. Berg (2004: 255-257) notes that an exploratory case study must be organized using some form of framework and serves as a pilot study for more sustained study of the case. In essence, this prospective case design seeks to move beyond the existing quandary of evaluating democratizing states using pure case designs via the incorporation of an established theoretical framework. The use of this case method also seeks to bolster the rigor of the design by providing future scholars with a clear framework from which to validate or refute the existing scholarship on the given case. Finally, it is interesting to point out that this approach is not foreign to Lijphart. For instance, Lijphart (1999) uses subjective forms of analysis throughout Patterns of Democracy. Additionally, Lijphart (1996) incorporates it in his explanation of the Indian case, noting that distinctions between de facto and de jure practices must be understood in order to have an accurate picture of the case.

The Research Design

Refining the Executive-Parties Dimensions

The framework regarding the executive-parties measures require a great deal of modification. Concentration of executive power via analysis of the cabinet needs to be conducted in order to look at the nature of appointees made to the cabinet. Developing systems such as Azerbaijan may have weak party systems making analysis problematic. In order to rectify this problem an analysis of cabinet membership based upon representation of societal interests must be done. Key factors associated with cabinet membership include associations based on race, ethnicity, vocation, religion, and/or class. The researcher also needs to document the cabinet as having either a high degree of power concentration, a balanced cabinet, or diffuse power sharing structure.

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9 For our analysis of Azerbaijan, we will gather case evidence from multiple sources to achieve triangulation beginning with Ilham Aliyev’s electoral victory in 2003 to the end of 2005.

10 Researchers should use the existing measures if at all possible as the measures provided here are attempts to provide useful surrogates. Likewise, choice of method should be made only after careful review of the existing data.
The number of parties in a given political system is of importance, but provides one of the most difficult variables to operationalize. The lack of stable parties in democratizing systems poses a serious challenge for the researcher. Several key factors must be considered including the role of civil society organizations that serve a similar role to political parties; actors that operate outside the existing legal party framework, but function as a party; and/or coalitions of smaller parties that have yet to coalesce around similar issues. While being highly subjective, the goal with this issue area is to determine the number of relevant political actors in a democratizing system. Additionally, incorporation of the seven key issue areas described in *Patterns of Democracy* is essential for contextual understanding of the political system (79-85).

The nature of interest groups within the political system must be analyzed in a similar light as the party structure. Particular attention has to be paid to the nature of rent seeking that might be used to approximate corporatism (Weede 1993, 1986). This is particularly important given the economic and political development occurring within the country. Finally, a measure needs to be incorporated concerning the relative number and structure of key actors to determine if the system is pluralist, quasi-corporatist, or fully corporatist.

The remaining two elements in this half of the framework are more easily classified due to electoral structures, measured in terms of disproportionality, and executive-legislative relations from primarily existing structures. In regard to the former, analysis of the apportionment method must be taken into account regarding the electoral dimension. Executive legislative relations must seek to gain an accurate measure of the functioning power relationship between the two branches. Accordingly, composition of both branches needs to be taken into account along with the roles they play in the process of policy development. Detailed summaries of this dimension must be developed until a sufficient number of observations exist for use in the traditional indexing method.

*Refining the Federal-Unitary Dimensions*

The federal-unitary dimensions are less problematic for the prospective analysis due to the fact that these measures are taken directly from constitutions or institutional arrangements. The indices for federalism, bicameralism, and constitutional amendments are straightforward and thus work within the existing framework. However, special attention must be paid to the presence of autonomous regions concerning the federal-unitary dimension and to the presence of asymmetric bicameralism or incongruence in the analysis of electoral institutions (Lijphart, 1999: 188-188, 211-213). The remaining two elements, judicial review and level of central bank independence, require more detailed descriptions due to the development process.

Lijphart presents judicial review as a consociational tool that reduces concentration of power (1999: 223-227). Moreover, in developing systems, the role of the rule of law is as crucial as judicial review. They are mutually reinforcing. Therefore, a prospective model must expand this measure to be inclusive of general legal practices to determine if the courts are independent. Systems in which the courts serve purely as a function of the executive are thus concentrating power, whereas a more open legal system serves as a check on power concentration. Additionally, it is important to understand the role of the courts because this element in society furthers the development of political and economic activity within a given state.

Central bank independence is a key indicator of power sharing in advanced democracies and serves as a check on concentration of power via the control over monetary policy. This is a key measure, but does not completely cover the spectrum of potential influence in a developing
economy. As mentioned earlier, rent seeking may be pervasive and thus must be accounted for in a distinct case analysis. Additionally, it is important to note the effects of external economic actors, such as the World Bank or the International Monetary Fund on government policy. This is necessary to determine what policy options are politically feasible given the state of economic affairs. States making progress toward trade liberalization can be viewed in a similar light as advanced states with high degrees of central bank autonomy because of the nature of the constraint imposed upon the government.

After the collection of all of the case material, the researcher must proceed to evaluate the case making sure to note majoritarian, mixed, or consensual phenomena. This observation can be used to make policy recommendations for the government in question and for foreign governments interested in bolstering democracy. Appropriate recommendations will focus on stability and reform via incremental change rather than drastic changes in the existing system in order to marginalize potential backlash by political actors being excluded from power (Mansfield and Snyder, 2001: 320-329).

**Expected Findings from the Case of Azerbaijan**

Considering existing literature and general knowledge strongly suggest that Azerbaijan cannot be classified as a full-fledged democracy, we expect to find that Azerbaijan’s political system is still in the early stages of democratization with elements of both authoritarianism and democracy present. Even more reason that this is likely to be the case is that when Ilham Aliyev succeeded his father in 2003 he had to consolidate himself among Azerbaijan’s ruling elite. Policies to further this end to quell the opposition that commonly arises when new leadership enters office in nascent political systems are likely to appear authoritarian and thus antithetical to democratization. Nevertheless, Aliyev’s pledge to move forward with democratization is promising.

In terms of the expected findings regarding the Lijphart’s 10 dimensions, clear concentration of power in the executive branch, and by proxy the major party in Azerbaijan, the NAP, single party majoritarian cabinets are likely. Similarly, the balance of power between the executive and the legislature is also probable considering the NAP controls both. The NAPs dominance will likely yield a single party system. Forecasting the findings on what type of electoral systems is tricky considering it is different on which type of election is occurring. Therefore, elements of majoritarian, disproportional, and proportional systems are likely to be found. Finally, the government’s proactive role in the Azerbaijani business community will yield evidence of corporatism (see Heradstveit, 2001a, 2001b, 2001c).

**General Summary and Conclusions**

We presented in this paper a prospective model for evaluating democratizing states in general and for the case of Azerbaijan in particular. Azerbaijan’s growing strategic value to many nations throughout the world indicates its practical importance. Its tumultuous experience with democratization justifies its selection as a case for prospective analysis. The model created by Arend Lijphart (1999) was especially useful in moving forward with this analysis, but had to
be refined to make it completely applicable. In turn, we went through the 10 dimensions that comprise Lijphart’s classification scheme and developed a prospective model.

The application and continued refinement of this model will yield complementary theoretical and foreign policy implications. For example, according to Freedom House, roughly 54 states fell in the partially free category of 192 sovereign states in 2004 (Karatnychy, 2004). This accounts for roughly 19 percent of the global population that exists in situations that might encourage political freedom. The implications for allowing these states to fail include increased instability in the international system, continued humanitarian disasters, and potentially destabilizing effects within advanced democracies. Prospective analyses are necessary to determine what types of political institutions and policy prescriptions need to be made to assist these developing democracies. This is directly relevant to both the normative and structural arguments pertaining to the Democratic Peace (Russett, 1999: 96-103). Mansfield and Snyder (1995: 315-322) provide clear evidence that young regimes are particularly subject to political violence as they transition from an anocracy to democracy because of a widened political arena and a set of weak political institutions. Secondly, Owen (1995: 154) notes that a failure to achieve the material expectations associated with the liberal basis for the peace poses a serious threat to its maintenance and expansion. If democracy is the normative ideal, then it is imperative that scholars move to advance the study of emerging democracies in a systematic fashion. We believe the research design developed in this paper is an excellent starting point.

References


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11 Anocracies are states that have share both democratic and authoritarian institutions. For further clarification see Russett *Grasping the Democratic Peace* (1994).


