

An Assessment of the Development of Political Parties in the

REPUBLIC OF AZERBAIJAN

Prepared for USAID/Caucasus/Azerbaijan

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Prepared by:

Roberto Figueredo, DCHA/DG

Joseph Taggart, USAID/Caucasus/Georgia

With Assistance by:

Kelley Strickland, USAID/Caucasus/Azerbaijan

Yusif Valiyev, USAID/Caucasus/Azerbaijan

Objective of Assessment: *The purpose of this report is to assess the current political environment in Azerbaijan with emphasis on political parties and in the basis of the assessment recommend programmatic interventions for a political processes and political party development assistance program and recommendations for the formulation of the DG strategy. The field work was carried out during April 20- May 3, 2003.*

EXECUTIVE SUMMARY

The Setting: *Azerbaijan maintains a presidential system of government with authoritarian characteristics that controls most elements of politics and society. This structure has limited the emergence and consolidation of democratic practices while allowing a systematic development and strengthening of an authoritarian system of engrained patronage and institutionalized corruption.*

The Problem: *The context of the assessment is how to help Azerbaijan develop a competitive political environment when powerful vested interests tend to be against further transition towards democratic governance. The core of the problem is an electoral system that generates political party structures that lead parties to operate as closed organizations engaged in inter-elite rivalries for control over the state instead of providing vehicles for effective aggregation and representation. This has led to a growing alienation of the population from the political system and weak political capacity to carry out the reforms that need to be made. Findings suggest that although Azerbaijan has made some promising strides towards a democratic system that provides for individual and associative liberties, there are fundamental and systematic constraints in accountability and representation that must be overcome to establish a competitive political system and a representative democracy. However, the question is whether the Azerbaijani leaders have the political will and vision to undertake the reforms to lead Azerbaijan towards democratic governance.*

Strategic Considerations: *Considering the depth of the challenges that exist in the DG area, the assessment recommends that USAID limit its role to support targeted reform initiatives to achieve greater participation, accountability and oversight to effect a change in the incentives structure in the operation of the political system. Without progress in these related areas, Azerbaijan's governance systems will remain prone to corruption, will further frustrate private sector growth, and will continue to decline in legitimacy.*

Programmatic Tactics: *The assessment recommends a two pronged approach for assistance. One aims to develop a competitive political system through expanded citizen participation at the local and national levels. The other consists of targeted higher level interventions designed to help catalyze reforms at the national level. Both aim to change the system of incentives to produce a more transparent and competitive system.*

In addition to being low-risk with a high probability of impact, this approach also offers considerable opportunities for crosscutting activities, strengthened synergies between the humanitarian response and democracy SOs and enormous possibilities to leverage other donor resources

Methodology: *The methodology for the assessment includes in-depth interviews, informant interviews, group discussions and site interviews. In-depth interviews were used with members of political parties, parliament, media representatives, government officials, donor officials, and program implementers. Key-informant interviews were carried out with leaders of major institutions that are key actors and influence the political culture. These included heads of the political parties, senior MPs, leaders of the executive branch local government leaders and executives, media leaders, civil society leaders, business executives and donor institutions officials. The team also interviewed the principal implementing partners of USAID political processes programs, other DG partners who have participated in the work carried out under those programs, as well as program recipients and beneficiaries, most of them experts with extensive knowledge of both the politics of Azerbaijan and the role USAID’s programming have played or might play in the future as it relates to the country’s process of democratic development. The team also analyzed the documents defining the programs history and parameters and reviewed relevant contemporary literature. In addition to Baku, the team visited other key and geographically dispersed cities. These included Masalli, Lenkoran, Imishli, Barda, Ganja, and Mingechevir.*

As apart of its task, the assessment team reviewed USAID supported activities of the International Republican Institute (IRI), the National Democratic Institute for International Affairs (NDI), and the International Foundation for Election Systems (IFES). The review of these programs was to obtain an understanding of the political institutions in Azerbaijan, how well they serve or are able to respond to citizens needs through democratic methods, and how well established and developed these political institutions are in Azerbaijan. The results of the review are included in Annex I.

ANNEXES:

- I.** *Review of USAID’s Support to Political Party Development.*
- II.** *Implementation Mechanisms for Political Party Development program.*
- III.** *List of Individuals and Organizations Interviewed.*
- IV.** *Major political parties in Azerbaijan.*

A. INTRODUCTION

This political party assessment of Azerbaijan is intended to provide an analytical framework to guide programmatic interventions for a political processes and political party development program in Azerbaijan and to assist with the formulation of the DG strategy. The assessment examines the basic characteristics of the DG challenge in order to identify the problems and constraints that affect the political process and the political parties and other constraints that impede transition towards democratic governance. The trends and dynamics of the political parties and systems of governance are examined in order to help understand the role of the key actors and their interests and to develop an understanding of potential coalitions for and against further reform. Institutional arenas are reviewed to identify the most promising areas of intervention. Strategic and programmatic recommendations are advanced to provide an analytical foundation for the design of a political party and political processes program and for the development of the DG strategy.

B. BACKGROUND

Eleven years after gaining independence Azerbaijan maintains a presidential system of government with authoritarian characteristics that controls most elements of politics and society. President Aliev has maintained almost uninterrupted control since becoming Azerbaijan's Communist Party Leader. The 1993 and 1998 presidential elections and 1995 and 2000 parliamentary elections were considered neither free nor fair by international observers. This has resulted in a political gridlock that has slowed and limited the emergence and consolidation of democratic practices and systems while allowing a systematic development and strengthening of an authoritarian system of engrained patronage and a system of governance characterized by severely weak institutions and a general lack of accountability that has led to the institutionalization of corruption.

On the positive side, the current regime gets high marks for providing stability that the citizenry has learned to value and has allowed for cease fire negotiations with the Nagorno-Karabak conflict and for the development and implementation of some promising economic and democratic reforms. These initiatives, albeit short in objectives, nonetheless, have provided a limited opportunity for citizen engagement and improved governance. However, the gridlock resulting from the disputes over the last two elections and the contentious negotiations over the new electoral code have exacerbated the tensions and differences between the opposition and the government leaving little or no space to negotiate the furthering of much needed reforms. The lack of consensus and on occasions political will over how to proceed with reforms has plagued the government and paralyzed urgently needed changes. As a result, the legitimacy of the political system is further being questioned as citizens continue to lose faith in the responsiveness of the new system of democratic governance and contribute to their further alienation from the political system.

C. THE PROBLEM:

The main challenge to Azerbaijani democracy in the next five years is to develop a competitive political system to enable Azerbaijan to meet the country's complex social, economic and political needs. The underlying challenge is how to promote further and more fundamental changes when the interest of many in power tend to be against further reforms.

At the heart of the problem is a system of incentives that favors the use of state prerogatives by the elite for personal gain at the expense of public good. The core of the problem is a system that generates political party structures that are contrary to democratic practices except for periodic elections that lead parties to engage in an inter-elite rivalry for control over the state and produces a system of patronage and ingrained corruption, accountable to the party leaders instead of the citizens. This has resulted in a system of governance characterized by a systemic lack of accountability and minimal citizen participation.

The prevalence of corruption is the most visible symptom of Azerbaijan's governance problems as it affects almost all aspects of life. Corruption is said to be particularly high in regards to medical services, education, licenses and the judicial system. Corruption has penetrated most if not all institutions as a result of low transparency, a high degree of discretion in public life and the stark lack of accountability that pervades the system. Most if not all public institutions are insulated from public scrutiny or meaningful citizen oversight.

While there are some isolated sparks of dynamism in participation, particularly at the local level, the legacy of nonparticipation has proven difficult to overcome. The root of the problem is a lack of a civic culture and the absence of genuine vehicles for representation or accountability, as both political parties and advocacy NGOs have failed to fulfill their representative functions. Citizen's efforts to engage in the political process continue to be frustrated by the lack of vehicles of representation. While young people seem eager to participate and to promote change, their enthusiasm is also quickly truncated by the lack of representational structures. The historical lack of a civic culture and the unavailability of vehicles for representation or accountability have seriously inhibited participation and led citizens to accept authoritarianism and systemic corruption as a way of life, allowing politicians and bureaucrats to act with impunity.

Several factors exacerbate and perpetuate the gap between representation and good governance. One is the electoral system, where those elected owe their alliance and loyalty to the party leaders. Another factor that undermines democratic practice is the strong and shady influence of campaign financing which is widely viewed by knowledgeable sources to be a source of corruption. Another flaw is that neither political parties nor CSOs have clear platforms or strategies to engage and represent constituents, as they act more like political machines focus on winning elections and seeking to reward their followers. While in a competitive democracy a certain amount of such

practices occur, the stark lack of oversight and accountability allow such practices to take extremes in Azerbaijan.

These structures and practices also impact the performance of institutions of governance. Parliament for example, has not come close to fulfilling its role of checks and balances to provide oversight on the executive. Instead it has displayed a generalized lack of political will for effective oversight and accountability. This weakness of parliament also hinders other oversight mechanisms as their powers are controlled by the weak parliament. The judiciary, the other branch of government capable of providing some check on accountability and equality is also plagued with inefficiencies and corruption and thus, has failed to meet its important function and objectives. There is a bit more of optimism at the local level, this is not so much because of high capacities of local government institutions but because it has the endorsement of the national government and citizens are willing to engage.

Although post-communist Azerbaijan has made some promising preliminary strides in regards to elections as well as individual and associative liberties and currently has the potential to move forward towards democratic governance, the remaining steps needed to tackle the fundamental deficiencies in the mechanisms of representation and accountability will require even greater political courage and bold determination to change the incentives that condition the behavior of the political system. But there are powerful interests and an informal network of influential behind the scene movers that control business and access that would prefer to retain the status quo. Thus, the transition towards a democratic market economy is hindered not only by the rules of the political game and practices that are inappropriate for guiding Azerbaijan through the difficult economic and political changes needed to achieve democratic governance but also by opposition from powerful vested interests unlikely to benefit from the reforms.

D. Considerations for DG Interventions.

The most appropriate role for USAID given its limited resources and the depth of the challenges that exist in the DG area is to support targeted reform initiatives to achieve greater citizen participation, accountability and oversight. Without considerable progress in these related areas democratic governance is likely to be limited and domestic pressures will continue build civic discontent and disillusionment with the system of democracy.

With regards to the development of a competitive and transparent political process, a two pronged approach for interventions is recommended. One consists of interventions designed to change the system of incentives and to enhance citizen participation in decision making by expanding the political space at the national and local levels. For example, the political process will become more transparent and effective by the participation of political parties, local authorities, civic groups and citizens working collaboratively over local affairs or journalists and advocacy organizations working around the theme of campaign financing would help to increase citizens' demands for transparency. The second consists of targeted interventions designed to catalyze

institutional reforms of political parties and structures. For example, election reforms may lead to greater representation and accountability through an improved electoral process. Transparency might be increased by legislation conceived and initiated regarding party campaign financing. Or internal democratic reform of political parties could produce more responsive representative institutions.

While the local level activities are more likely to yield measurable results, they should not be expected to lead to or even significantly contribute to an overcoming of the fundamental DG challenges at the national level. It is for that reason that the Mission should remain engaged at the national level although the prospects for progress are less certain.

Modest expectations should condition the Mission's DG inputs. It is the nature of a managed transition that change is likely to be incremental and gradual. USAID is not going to be responsible for any breakthrough to democracy, but can instead foster and nurture positive steps by those in power to determine the future of governance in the country. There is no credible critical mass on the demand side of the political equation that can be mobilized to insist on dramatic strides towards democratization. The DG program can be realistic and meaningful if it builds on existing opportunities, while favoring linchpin progress that is not in itself revolutionary.

Because of its complexities and sensitivities with the program, expanded direct mission involvement in the implementation as well as in policy formulation will be required. Without sustained involvement, the timely identification of windows of opportunity for reform and concurrent program adjustment may not be possible. DG programs are management intensive and time sensitive, particularly when there are so many variables as is the case in Azerbaijan. The addition of an experienced DG officer or PSC to oversee management of this program is recommended.

The following sections offer expanded sectoral analysis and recommendations for programmatic interventions.

E. CITIZEN PARTICIPATION AND OVERSIGHT

The development of democratic governance in Azerbaijan has been hindered by the lack of citizen participation in the political process. The historical culture of no participation and the failure of political parties and NGOs to develop into effective vehicles of aggregation and representation have prevented citizens from taking a more active role in the political process and to question and demand more accountability from the government and elected officials. Moreover, the absence of citizen participation and oversight means that politicians and bureaucrats may be able to act with impunity.

Political parties have focused on winning elections and answering primarily to their own leaders rather than responding to their constituents. Advocacy NGOs, meanwhile, have remained more responsive to donors and their priorities than serving as alternative vehicles of interest aggregation and representation. Business and professional

organizations and community-based organizations have fared better in terms of public representation because they serve a more targeted constituency and their promotion of self-interests tend to be more focused and transparent.

Despite the many difficulties citizens continue to make efforts to overcome the legacy of nonparticipation but their efforts are frustrated by the restrictive environment and the absence of viable mechanisms. Thus, the challenge is to facilitate and promote greater understanding of democratic culture and a demand for civic participation by creating incentives and mechanisms for mutually constructive engagement so that citizens elicit responsiveness and accountability and civil society and political parties are increasingly willing to effectively respond. These efforts would help raise the awareness of the costs of corruption, the need for greater accountability and provide for expanded citizen participation, particularly for women, in the decision making process.

Citizen participation at the local level provides the greatest evidence of dynamism and potential for expanded political space under the current Azerbaijani political system. The Mission has programs in this area and has some experience upon which to build. However, the relationships between the various actors to jointly address local problems are at an incipient stage. Therefore, assistance should be provided to develop and enhance their capacities to effectively work and interact with each other addressing citizens concerns. Facilitating this type of involvement promotes greater citizen participation, transparency and accountability and opens the door to popular pressures for greater oversight. It is important to note that although assistance involves working with local officials, the objective is not to develop the institutional capacity of local governments but to expand the political space for citizen participation in decision making. A focus on local participation also offers the opportunity to leverage other donor resources, most notably the World Bank and the Council of Europe.

There is also a need to develop and enhance the capacities of civil society actors to jointly identify and collaboratively develop and strengthen their capacities as vehicles of representation and accountability. To this end it is recommended that USAID assist civic and professional associations and interest groups to develop and strengthen their institutional capacities while advancing their advocacy and constituency objectives. This could include assistance to promote reforms in targeted areas, such as the oil fund, access to legislative hearings, the dialogue push for accountability at various levels of government and the development and implementation of community-based initiatives designed to address local needs.

Work with business and professional organizations also has promise as these organizations have a narrow focus and more supportive constituencies and can help to make the government more responsive to citizen input. Developing the association of local councils can help strengthen the voice of local authorities at the national level. Building upon these associations represents a promising avenue for helping to promote further decentralizing policy since the increased contact and means of interaction should help to build confidence.

F. POLITICAL PROCESSES AND POLITICAL PARTY DEVELOPMENT

Azerbaijan has a limited multi-party system composed of an opposition bloc integrated by several minor parties and the government bloc consisting of the ruling New (Yeni) Azerbaijan Party (YAP), formed in 1992 by president Aliyev. As institutions political parties are highly centralized, largely undemocratic, lack wide public support and are centered on a central figure or leader. Everyone admits that policymaking and representation are neglected in favor of short term political positioning. From the point of view of the citizens, disillusionment with political parties and with politicians is on the rise

Unlike in neighboring countries where opposition parties are in a constant state of flux, the opposition parties in Azerbaijan have experienced only minor changes in their leadership and have remained centered more on personalities than ideology. The opposition bloc includes over a dozen parties, but only few can be considered as major. Center-right and nationalist parties dominate. Leftist forces and the Communist Party appear to have little appeal. The parties with the largest popular support are the Musavat party, the Azerbaijan National Independence Party (AMIP), Azerbaijan Democratic Party (ADP) and the Azerbaijan Popular Front Party (APFP). The opposition's relationship with the government is hostile as a result of the 1998 and 2000 elections; it denies the government's legitimacy and calls for its unconditional resignation and holding of free and fair elections. However, other than organizing demonstrations against the government and boycotting negotiations over election reform opposition parties have not been able to develop coherent platforms or programs as options to the government's agenda. This leaves voters to differentiate among opposition parties on the basis of their leaders and their level of opposition to President Aliyev rather than impressions of how they might govern if elected. The government dismisses the opposition as unserious and provocative.

The ruling party, New (Yeni) Azerbaijan Party (YAP) is integrated by minor political groups and individuals that served under the President's tenure as leader in the Communist party. As a political machine, the YAP distinguishes itself from the others not only for its national dominance, but also for its ability to establish roots in local politics. This in part is supported by the regional authorities or Executive Committees (Ex-Com), the powerful representatives and watchdogs of the central government in the regions. However, the YAP is far from a monolithic entity, containing pragmatists, reformists, and opportunists, with the pragmatists currently thought to be in the strongest position. However, the concern with succession issues is causing factionalism and this power struggle is likely to split YAP once its leader is out of office.

Electoral law ensures proportional representation and voting according to party lists. This system encourages selection of candidates who are able to influence a high enough spot on the list and renders elected officials more accountable to the party leaders than to their own constituencies. For members of parliament (MPs) to advance and gain influence, they need to be disciplined followers of their parties' leaders. As a result of the top-down hierarchical mechanisms of party control, the parties rarely have clear

doctrines and people are often confused about what they stand for. This is one of the reasons that Azerbaijani citizens have such low trust on political parties.

The recently enacted unified election code attempts to level the playing field and to provide a framework for fair and transparent elections. However, two components of the law, the composition of election councils and the role of domestic monitors continue to be hotly contested by the opposition and the absence of an acceptable compromise, is likely to lead to claims of fraud by the losing camp.

Party and campaign financing is also becoming a critical issue due to a lack of clear legislation to regulate the financing of campaigns and political parties. What laws do exist are often violated with impunity. Much of the financing is said to come from businesses and from money laundering. Contributions from the private sector are alleged to be a quid pro quo for hidden favors. Public funds are also likely tapped for campaign budgets. There are no reliable estimates of campaign costs and financing.

Most political parties are relatively well organized and have sufficient strength and resources to be more accountable and transparent, but there are few incentives to do so. A few are able to conduct relatively sophisticated and aggressive campaigns employing their followers. All parties have common organizational and operational structures that respond to the system of incentives. The electoral framework, internal structures, and financing of the political parties thus weaken their interest in reform and turn them into instruments for intra-elite cooperation and competition. Unless politicians learn to act with transparency in the public interest as an incentive, a democratic transition will be more difficult to achieve.

Thus, any significant changes in the way political parties operate require a change in the incentives structure and a leveling of the playing field. But changing the incentive structure requires desire for change, which is unlikely from those who benefit greatly from the status quo. Changing the incentives system requires work on three fronts: developing a workable framework for fair electoral competition; enhancing leadership and management skills of the political parties to change the mind setting and; developing channels and capacities to aggregate and advocate for citizens' interests.

There is a need for USAID to continue with a reduced political party and processes development program focused on the three areas outlined above as means to tackle the growing problem of lack representation and citizen participation and to develop a new structure of incentives. Some critical elements for achieving a new system of incentives are explored below:

- ***Electoral competition-accountability.*** *Abstention rates are quite high as a result of growing citizen discontent and distrust with political parties as they are often perceived by voters as vote-buying electoral machines throughout the country-- a commonly heard complaint--. Political parties generally adopt electoral mobilization strategies primarily stressing issues of transient relevance rather than developing platforms based on substantive issues that provide a choice to*

- voters. Moreover, parties seem to believe that issues are not central to popular decision-making. As a result, ideological divides between parties are perpetually narrowing and personalities are becoming more dominant. Aware of the growing citizen discontent, parties are beginning to develop issue-based agendas in efforts to generate and mobilize citizen interest and support
- **Policymaking.** Legislators dependent on the party for resources and base major legislative decisions on the party line. Moreover, committee proceedings, where substantive discussions and debate take place, are not open to the public, making it harder for interest groups to influence legislators on their particular interests. Without structural improvements in how legislative bodies function and changed incentives, legislative development activities will be seriously constrained in their impact. For these reasons, legislative development assistance – other than interventions designed to strengthen legislator-constituency interactions and or enhanced access and transparency-- are not advised under present conditions.
 - **Engaging constituents/civil society.** There are few civil society organizations concerned with advocacy and oversight but they have limited capacity and experience to carry out their work and influence policy makers. Political parties are also limited in their capacity to interact and work with CSOs. Their roles and relationships are evolving in a haphazard manner with some established interest groups like the labor groups allied with certain parties and factions, while other interest groups remain suspicious of and competitive with parties. The challenge is to assist these actors to effectively interact with each other representing constituents' interests.
 - **Enhancing party foundation.** There is general agreement that most political parties need to further democratize internally to expand their membership base. To this end, parties need to improve their capacity to cultivate a younger cast of leaders to incrementally assume leadership positions in their parties to help lead their organizations develop and formulate policies more attune with Azerbaijan realities. As with all changes from one generation from the next, tensions are inherent. While some of the parties have placed some of their young leaders in positions of responsibility, others have resisted. The fact is that the transition from one generation to the other is inevitable and parties are more receptive to finding ways to bridge the generation gap.

F.1. Program Design Recommendations

The program proposed for political parties and processes assistance aims to lay out the foundation for a more competitive and transparent political system. The goal is to help political parties become more democratic, transparent and responsive to Azerbaijani citizens and to help change the system of incentives that govern the operation of political parties. The overall objective is to improve the parties' capacities to become effective vehicle of interest aggregation and representation and to facilitate a more impartial application of the rules of the political game. Activities will be implemented under two mutually supportive tracks: One will focus on developing political will within political parties, civil society and citizens to tackle the lack of representation and accountability in policymaking and implementation. The second track will assist reformers to further

develop and implement their reform agenda, enhancing the capacities of civil society to advocate for reform and to collaborate with political parties and strengthening the abilities of political actors to become more responsive and accountable to their constituents. Based on the assessment's analysis and overall findings the following approach is recommended:

- a) focus on selected broader issues of the Azerbaijani political system, especially those issues concerning the rules of the game that guide political competition, election reform and internal composition of political institutions at both national and local levels; facilitate and assist with formulation of strategies/agendas to address the issues;*
- b) address the specific organizational and structural issues that affect the operation of political parties at national and local levels. A two track approach is needed, one working with current leadership to address organizational and structural issues reinforcing the principles of internal democracy; the other, identifying and targeting emerging local and national leaders, involving them in party policy formulation and constituency outreach, providing management and leadership training appropriate to their respective levels and positions and, assisting parties formulate and present strategies/platforms;*
- c) assist civil society and community based groups to develop capacity and skills to aggregate and represent citizens' interests to political parties and institutions, demand accountability, and provide oversight on actions of elected officials and the institutions in which they serve; assist develop the capacities of both political parties and CSOs to interact and collaborate with each other; assist CSOs and political parties to engage youth groups and citizens identifying and addressing specific issues.*

Considering the high level of political sensitivity, certain basic principles must guide the program:

- **multi-party assistance:** The program should include representatives from all major political parties. This would help to maximize participation across the political spectrum, reducing the opportunities to charge partisan favoritism.*
- **coordination and collaboration:** To maximize program impact and coordination, an implementation committee, integrated by partners, USAID, Embassy and other appropriate parties, should meet regularly to determine topics and presenters for some of the activities; review implementation and recommend adjustments to program as necessary. The implementation committee will evaluate the existing windows of opportunity and the willingness of participants to develop a reform agenda to decide if time is ripe to engage in advocacy and more tailored assistance for political parties and civil society groups.*
- **implementation:** Assistance should be provided within a strategic framework that while providing independence of action to implementers ensures uniformity in approach to achieve sustainability and impact. The strategic approach should be periodically reviewed by the implementation committee to assess progress and identify need for mid-course adjustments.*

- **coverage:** A significant portion of the activities should be implemented in the regional areas. The selection of targeted regions should be a collaborative process with USAID and its implementing partners based on criteria that include: potential for reform, willingness of local officials, potential citizen involvement, needs of local communities, existence of other USAID assistance programs, etc.
- **agreement:** An agreement will be signed between USAID's implementing partners and each political party that agrees to participate. The agreement will include responsibilities and commitments of both the implementing partners and of the political party.

F.2 Program Description

F.2.1. Developing an Agenda for Reform- Conference/Roundtable

Conferences would serve as mechanism to facilitate discussion of issues and concerns with the participation of representatives from political parties, academia, civic groups, professional associations, and media, that would help develop an agenda for reform. The implementation committee or a variation of it (partners, mission, political parties, CEC, academics, etc) should define the issues/topics for the agenda, identify experts, and conduct follow up. Issues should be relevant to voters, provocative and/or complex to merit broad discussion, and participants (political parties, civil society, media, etc) need to commit to follow up with activities whether position papers, communication or implementations strategies, etc. Issues like unemployment, oil fund, campaign financing, energy, trade, are complex, and there is limited opportunity for political leaders and the public to benefit expert thinking. Editors/journalist should be invited to report. This component and the leadership and managerial training will aid political parties and their leaders to develop and implement internal political party reform projects and reform agendas.

F.2.2. Defining the Agenda. Information and analysis are critical to enable political parties, and interest groups to define their own needs and priority areas for reform. A modest research effort would help to develop and provide concrete information and data on the attitudes of citizens and party members, most relevant issues to citizens, analysis of the perception of political parties, incentives and disincentives created by party statutes, and other issues that hinder ability to respond to constituents. Illustrative activities/expected results:

- > assist design and conduct polls and analyze results through focus groups involving political parties, CSOs, media and citizens to understand how well they are being perceived by the public and to develop relevant issues;
- > on basis of results of above discussions assist political parties and or CSOs develop and formulate agendas for reform.

F.2.3. Implementing the unified election code. This provides a good opportunity to engage political parties (at all levels) with the CEC, the

precinct and regional election councils, journalist, and civil society to discuss enforcement and implementation of the electoral code and to help them understand their roles and responsibilities under the code. There should be tailor-made activities to meet particular needs of technical and administrative personnel from both political parties and the electoral authorities. Activities should be held in Baku and the regions and when applicable should address the locality/region concerns. It is important that this effort not be a “one-size” fits all. Illustrative activities/expected results:

- > organize conferences/roundtables to present and explain the electoral code to political parties, CSOs, special interest groups and the media. CEC staff should participate in providing training. Joint sessions with all groups and targeted sessions for each group should be offered. At end of sessions each group/sector should have a clear understanding of the code and the rules of the game.*
- > train political parties on the implementation of the electoral code. Training should include the regions. Parties will designate candidates to become trainers. Materials and techniques will be used internally by parties to train their personnel;*
- > train political parties and CEC on dispute/conflict resolution techniques to enable actors to better understand rules and to enable parties learn to manage defeat in a constructive fashion;*
- > train CSOs and journalist on understanding and monitoring compliance with the code. Participants will be in position to develop monitoring plans within their respective organizations;*
- > organize joint sessions with the election commissions, political parties, CSOs and media to discuss understanding and implementation of the code, including the role of the election commissions and monitoring by political parties and civic groups. In addition to understanding the code, participants will have a better understanding of each group’s role in implementing the new code;*

F.2.4. Engaging Civil Society. *Civic and professional organizations, NGOs and interest groups concerned with transparency and accountability in policymaking and implementation have limited capacity and experience advocating to political parties their policy concerns, monitoring legislative proceedings or pending legislation and communicating on these issues. Political parties also lack experience understanding and interacting with CSOs. The objective of this component is threefold: to assist CSOs to better aggregate and advocate their interests to political actors; to assist parties to better understand and interact with CSOs; and to assist both, to effectively interact with each other. This activity may hold particular promise for cross-sectoral collaboration, since interest groups working under other SOs may also be interested in monitoring local activities or legislative initiatives and government follow-through on sectoral policy reforms. Illustrative activities/expected results:*

- > *training on advocacy and how to aggregate issues and how to present them to political parties. CSOs would be able to develop own strategies to this effect;*
- > *technical assistance/training to identify how parties can be useful to CSOs in achieving their ends and vice versa;*
- > *training on the role of CSOs/political parties and the necessity of both in a functioning democracy.*
- > *implement pilot activities engaging both groups. Participants should be able to develop follow-up agendas.*

F.2.5. Reform for accountability. *Since there are few incentives in the political system for accountability to constituents outside elections, reforms should aim to develop a new system of accountability incentives. Some of the reforms likely to materialize and resonate with constituents include: completing electoral reform especially in the area of political finance and accountability; opening legislative hearings to the public, expanding the authorities of municipal councils; management of the oil fund. At the same time political parties need to undertake internal reforms to become more accountable and democratic. Assistance under this component should target the specific internal needs of the parties and should offer practical techniques for the formulation and implementation of reforms.*

Illustrative activities:

- > *analyze the results of 2003 elections; organize roundtables/focus groups involving political parties, CSOs and citizens to review analysis;*
- > *on basis of results from above roundtables/focus groups, assist political parties and CSOs develop independent agendas/platforms to address some of the resulting issue;*
- > *using analysis of results of 2003 elections assist political parties undertake individual or group analysis of “why we lost/won”;*
- > *based on results of above analyses, assist political parties develop coherent agendas for internal reform (party statutes, internal democracy, rules guidelines, participatory decision making, accountability, etc) ; assist parties develop and implement agenda;*
- > *establish (through the political parties’ research offices) capacity to better support legislators in developing, presenting and debating legislation;*
- > *assist parties develop basic communication and outreach strategies.*
- > *design issue-based pilots to be implemented by parties and CSOs.*

Annex II, provides alternative mechanisms to implement the Political Parties and Process Program.

G. CONCLUSION

The proposed strategic and programmatic recommendations are predicated on a window of opportunity that allows USAID/Azerbaijan to help shape viable democratic practices and institutions to help Azerbaijan move towards a managed transition to a democratic governance. Emphasis is on using current levels of assistance to foster partnerships among national and local government units, political parties and civil society organizations to achieve greater citizen participation in decision making and in developing mechanism of accountability in a participatory fashion.

The proposed program consist of a series of self-contained, short-term interventions with a high probability of success. In addition to enhancing the mission's quick response capabilities, program is designed to demonstrate the mutual benefits of cooperative ventures between the various actors and with government institutions that combine and leverage their respective strengths in a non-threatening and collaboratively fashion. The recommended interventions also provide opportunities and considerable promise for crosscutting activities and synergies within the DG and with other SOs. For example, other SOs work with NGOs and with business groups directly relates to some of the associative work that the DG team could also incorporate in their work to help improve their institutional or advocacy capacities. Similarly, the Mission's work with IDPs may also dovetail with the proposed interventions at the local level. Experience and confidence gained from implementing some of these activities would facilitate the design of more comprehensive DG interventions tailored to strengthen and sustain the mission's long term goals and objectives.

Annex I

Review of USAID's Support to Political Party Process

INTRODUCTION: As part of the assessment, the team undertook a review of USAID's current program assistance to political parties and processes. The objective of the review was to obtain further understanding of the rationale for the assistance, to gain a better knowledge of what results have been achieved and to the extent possible, assess the impact of the assistance.

The underlying rationale for USAID assistance is to promote the democratization of the Azerbaijani political process and of the political party system, both necessary to help develop and establish an impartial and competitive political system, an indispensable element for the consolidation of Azerbaijan's democratic governance. USAID supports political party and process development through IRI, NDI and IFES. Assistance is provided in two broad tracks: support the political process where the CEC is primary beneficiary and support for development of political parties.

The methodology used for this assessment was rapid appraisal and case study. This approach was deemed most appropriate given the short timeframe for the review. Technique consisted of review of implementing partner's proposals and quarterly reports as well as other documentation relevant to Azerbaijan's democracy and political processes. Informant interviews were conducted with USAID and Embassy staff, implementing partners and host country beneficiaries. Significant part of the work is included in the analyses of the broader assessment.

OVERVIEW: The team found that the overall program of assistance contain many good aspects but lack a common vision and at times appear to work at cross purposes. Although implementers have achieved considerable results with their respective partners, the results in the aggregate has been less than expected. The implementing partners need to adjust and better coordinate their activities and to the extent possible harmonize their approach in assisting political parties to not only strengthen and develop their internal capacities but also to more fully compete in the elections. Given the proximity of elections and the need for timely support, USAID and implementers should consider some immediate adjustments to the programs to provide a focused bridge of assistance until new mechanisms kick in to ensure more effective coverage and results. To continue working in isolation from each other is likely to create further disconnect among political parties further diluting the impact of USG assistance.

Following are some observations about the programs of assistance and some recommendations for mission consideration.

IRI Program: IRI programming in Azerbaijan was reactivated in 2002 after being suspended due to the murder of their in-country representative in 2000. Their current program is designed to increase political participation among Azerbaijanis through political party strengthening, constituent outreach from members of the Milli Mejlis

(parliament), and by increasing the role of youth in both political party activities and in elections through a “rock the vote” effort to encourage youth turning out on election-day to vote.

Recommendations: As noted above, while Much of IRI’s programming is to be commended, two overall shortcomings were noted, the lack of adaptation of their programs to fit the Azerbaijan context and its close identification with the ruling government party YAP. Regarding the former, some of IRI’s programming while valuable on its own, was found to have limited relevance with Azeri political needs. One such example is IRI’s campaign training that uses examples of political parties and candidates providing transportation for voters to polling stations on election-day. In a normal political setting this does not raise any concerns but in the context of Azerbaijan where many people rely on the government for jobs, government pensions and social support, having regional chapters of YAP in conjunction with executive authorities providing buses to transport voters to the polling booths could very easily be interpreted by Azeri citizens as overt pressure to vote for the ruling party and almost certainty will be viewed by the opposition parties as government interference in the election process. Another such example is the assistance to the opposition parties. IRI is offering opposition party members opportunities to participate in general campaign academies that offer general techniques of campaigning and voter outreach. While under most cases this is normally a useful tool, the political reality for many Azeri opposition parties’ is that many of them find it difficult to hold a public meeting with supporters in the regions due to interference by regionally appointed officials. As a result, general campaign training is viewed of little value or help by opposition parties. This has led the opposition to work less with IRI, furthering the perception that IRI is only interested in working with the ruling government party, YAP. IRI’s programming should be revised to better meet the needs of both the Azeri political situation as well as the opposition parties.

One area that shows real promise and should be built upon is their recent work assisting the YAP party to understand the need to conduct more transparent elections. IRI has wisely used the results of its recent polling showing a comfortable margin of support for President Heydar Aliyev to effectively persuade some progressive thinkers within the YAP party to begin pressuring regional administrators to limit interference into the election process. Thus reducing tensions in the country side and helping build a bit more of confidence in the electoral process. However, IRI should provide careful follow-up to avoid the regional YAP party structures from interpreting these polling results as the “West’s acceptable benchmark” for election-day results

NDI Program: NDI’s program in Azerbaijan has the goal of assisting in the development of national democratically oriented political parties and assisting in the development and strengthening of civil society organizations.

Recommendations: As is the case with IRI, much of NDI’s programming has served an important role in furthering USAID’s assistance in Azerbaijan. Specifically, NDI’s programming has assisted opposition parties from being eliminated from the political landscape of Azerbaijan. NDI’s party strengthening assistance is tailored for each party

and reflects the realities of the restrictive political environment faced by Azerbaijan's opposition parties. But just as IRI is at times seen as too close to the ruling party, NDI is similarly seen as too closely linked to the opposition parties. This has led to a situation where NDI has very little constructive engagement with the ruling party and risks becoming completely alienated by the current government, reaffirming the perception by most observers that at times it is difficult to distinguish criticism of the Azeri government from opposition parties and NDI's statements about the state of politics in Azerbaijan. At times NDI's comments mirror the statements of the opposition. Their advice to opposition parties have appeared at times, to feed into the boycott mentality that dominates the current thinking of Azeri opposition parties. While it may be understandable and justifiable to some, to view the ruling government party as restrictive and an obstacle to democratic movement in the country, it is important for NDI to use their unique standing and relationship with the opposition to provide innovative methods of constructive engagement to assist opposition parties to more constructively deal with ruling party and with the electorate. NDI's innovative "Policy Working Group" has succeeded in bringing opposition leaders together to discuss and consider policy issues and could become the channel to provide this type of advice and assistance and should be expanded with a more a focused agenda and work plan.

IFES Program: IFES programs have focused on promoting democracy and citizen participation in Azerbaijan for more than seven years. IFES has worked on providing capacity building of municipal councils on the local level; development, distribution and exchange of useful information and lessons learned among election administrators, municipal councils, local and international NGOs and citizen groups. In addition IFES has provided technical assistance and training for the CEC and its subordinate bodies as well as providing legal commentaries on the proposed Unified Electoral Code to help the Government of Azerbaijan address deficiencies in electoral legislation raised by international and local groups.

Recommendations: Overall much of IFES's work has been superior, especially their work with election officials by helping to increase the awareness, skills and knowledge of electoral administrative structures on all levels through technical assistance to the Central Election Commission (CEC), training of trainers within the CEC, and direct training of constituency and precinct election commissioners. In fact, IFES has stated that it considers the Central Election Commission one of its principal clients. However, the problem is that the CEC controlled by the government is perceived prone to work in a non-transparent manner. In assisting the CEC, IFES resisted engaging outside groups early in the development of the new election code. As a result, IFES had limited contacts with leaders of the opposition parties and wound up working in isolation from some of the key political players in Azerbaijan, limiting the impact of its assistance. IFES explained that it was the only way they could get the government to seriously engage in this process due to the non-constructive criticism by Azeri opposition parties. While this is understandable, given the past experience in Azerbaijan with flawed elections this method of approach set the stage for those outside the government to unfairly criticize IFES as being too passive in keeping the process open. IFES should find creative ways to reach out and include all the major political players in Azerbaijan. For example in

conjunction with IRI and NDI, IFES should organize joint conferences for political party leaders to discuss the new electoral code and best practices to implement it. IRI and NDI could handle the more partisan aspects while IFES's will focus on the technical aspects of the election law and presenting models that have proven effective in similar political settings. Holding several of these workshops would help to expose IFES's work to a broader audience, but more importantly, it would help political parties and other relevant actors better understand and apply the code.

General Program Recommendations: As noted by both the assessment and the above analysis, Azerbaijan is at a critical juncture in its democratization process and the tensions arising from the disputes surrounding the implementation of the unified election code are likely to fuel the growing citizen discontent with the political system and unless ameliorated through conciliatory dialogue and confidence building on the process, this upcoming elections can easily become flawed before they are held. This is a good opportunity for USAID and implementers to offer Azerbaijanis viable mechanisms to overcome the gridlock over the implementation of the election code. The following recommendations follow this criterion:

- The mission should devise with IRI, NDI and IFES a coordinated and coherent plan of training and technical assistance to assist the political parties, the CEC and civil society prepare for the presidential elections. Assistance should be provided within a strategic framework that provides independence of action to implementers while ensuring uniformity in approach to ensure impact and impartiality.
- Geographic division of party work should be stopped. Both IRI and NDI should work with the same parties in the same regions to better harmonize the training provided and make it more consistent throughout the country from party chapter to party chapter. A better strategy would be to have the institutions target specific regions rather than the whole country.
- Opportunities should be found for joint workshops between the two political party program implementers where it makes sense programmatically. Such examples could include: technical assistance and training in the application and enforcement of the unified code, for party observation of elections and joint dialog sessions on election issues. All of these are themes that lend themselves for training with participation of all key actors (political parties, CEC, civil society, media and other groups). Such joint sessions could help the parties focus more on developing a plan for dealing with such issues. In addition getting both sides into the same room under a controlled atmosphere with outside facilitators might assist in generating more issue based discussions.
- IRI, NDI, and IFES could provide joint training for political parties and other actors (media, civil society, etc.) to understand and implement specific aspects of the election code. Participants should include members at all levels. Training should be offered in the regions. The goal of the programming should be more focus of political party activities outside of Baku and in the regions where some party members may be more open to try new approaches

- NDI and IRI should devise a joint strategy to assist their counterparts with constructive activities/options to be taken after the election, using scenarios with YAP victory and defeat. Conflict prevention/conciliatory training is encouraged. However, it should be offered by experts on the subject.

- More programming that directly engages citizens, such as;
 - Civic education for adults and youth
 - Debating programs in schools

Annex II . Implementation Mechanisms for Political Party Development Program

Option 1: Consortium for Elections and Political Process Strengthening (CEPPS)

To use CEPPS, the Mission submits to the DCHA/DG a program description. Depending on complexity of the program description, partners respond within 2-6 weeks. The Mission reviews the proposal, requests changes, and when final agreement on content is reached, the program is approved.

Program can be contracted under two mechanisms: Associate Award or Leadership Agreement.

The Associate Award provides mission with CTO authority and of course direct contact for all work with implementer. This is the grant equivalent to the “task order” under an IQC. The Mission’s CO will issue the program description to the CEPPS partners, and the Mission will directly receive the proposal and manage the review. The Mission’s CO would be responsible for negotiating the Associate Award, which can be either a grant or a cooperative agreement.

If, the Mission wishes to use DCHA/DG’s Leader Agreement, then the CEPPS CTO in Washington acts as an intermediary with the partners: issuing the program description, receiving the proposal, working with the Mission to get comments, working with the partners to get desired revisions, and obligating the funds which would be transferred from the mission to DCHA/DG. Once the program is approved, the Mission would be the primary technical contact for the activity, but quarterly reports would go first through Washington.

The members of the Consortium are IFES, IRI and NDI.

Pros: Simple procurement, only one program description is required, partners have an established track record with USAID on political party assistance and election administration.

Cons: IFES, NDI and IRI are all U.S. institutions. They may be more expensive than other institutions. All three partners may want a part of the program. However, Mission can specify that it only wants one or two implementers.

Option 2: Request for Applications (RFA)

Mission will issue RFA and CO would be responsible for negotiating contract/award agreement.

Pros: May generate the most creative approaches. Would generate proposals from other US and possibly European contractors and organizations.

Cons: Labor-intensive procurement process. Mission would have to evaluate several proposals and its CO negotiate contract. May take longer to procure.

Annex III

Political Party Development Assessment- Azerbaijan

List of Individuals Contacted

Political Parties

Isa Gambar, Chairman of Musavat
Arif Hacıyev, Deputy Chairman of Musavat
Ali Karimli, Chairman of reformist wing of APFP
Eytibar Mammedov, Chairman of Azerbaijan National Independence party
Ilgar Mammedov, Deputy Chairman of Azerbaijan National Independence party
Sardar Jalalglu, Chairman of Azerbaijan Democratic Party
Ilyas Ismaylov, Chairman of “Adalat” (Justice) party
Elkhan Shukurly, Head of Press-Service of Justice party
Bahar Muradova, Deputy Executive Secretary of YAP
Ramiz Alizadekh, Head of ANIP branch in Lenkoran
Namik Jahangirov, Head of ANIP branch in Massalli
Iltifat Rahimov, Lenkoran branch of Musavat
Alisher Bashirov, Head of APFP in Massalli
Iltifat Jabiyev, Head of ADP in Massalli
Mirheydar Safiyev, Head of Musavat branch in Imishli, plus 8 local party officials
Ali Gasimov, Head of APFP branch in Imishli, plus 8 local party officials
Jahangir Amir Khanli, Head of Musavat branch in Ganja
Zahid Gasimli, Head of ANIP branch in Mingechevir
Shirvan Abilov, Head of YAP branch in Massalli

Regional Executive Committees

Azer Safarov, Head of Excom in Massalli
Elman Allahverdiyev, Head of Excom of Barda
Eldar Azizov, Head of Excom in Ganja
1st Deputy of Excom in Mingechevir

NGOs

Eldar Ismaylov, Chairman of For the Sake of Civil Society organization (FSCS)
Fikret Rzayev, Deputy Chairman of FSCS
Vagif Imanov, Head of Regional branch (Ganja) For the Sake of Civil Society organization (FSCS)
Amrah Madatov, Head of Regional branch (Mingechevir) of FSCS
Leyla Yunus, Chairman of Institute of Peace and Democracy
Novella Jafarova, Chairman of Organization for Protection of Women’ Right

Milli Mejlis (Parliament)

Safa Mirzoyev, Milli Mejlis, Chief of Staff

Presidential Administration

Ali Hasanov, Head of Social-Political Section

Central Election Commission (CEC)

Mazahir Panakhov, Chairman of Central Election Commission

Political Scientist

Eldar Namazov

Mass Media

Aflatun Amashov, Chairman of Press Council

International Organizations

Marco Borsotti, Country Director, UNDP

Akbar Noman, Country Director for World Bank

USAID Partners

Nelson G. Ledsky, NDI

David Sip, NDI

Jeffrey Flowers, Country Director of FINCA (Foundation for International Community Assistance)

Margo Squire, Eurasia Foundation

Stephen Nix, IRI

Mark Foehr, IRI

Charles Lasham, IFES

John Boit, Internews

US Embassy

Caryn McClelland, Chief of Pol/Econ Section

David Whiddon, Political Officer

Mary Glantz, Political Officer

USAID

William D. McKinney, Country Coordinator

Jeffrey Lee, Deputy Country Coordinator

Kelley Strickland, Civil Society Advisor

Yusif Veliyev, Program Management Specialist

Jennifer Ragland, EE.EA

Jim Watson, Dir. EE.NCA

Mike Keshishian, EE/DG

Claudia Dumas, EE/DG

Ted Priftis, EE/DG

Other Embassies and Organizations

Sean Melbourne, First Secretary of the British Embassy

Christopher Fuchs, German Embassy

Meeting with Rossebo Solveig, Norwegian Embassy

Inkeri Harnio Lwoff, COE Representative.

Annex IV

POLITICAL PARTIES IN AZERBAIJAN

Currently there are thirty-eight registered political parties in Azerbaijan. The majority of the parties were formed during the Popular front government. Although most parties remain active, only four have national organizational structures of varied degree few others at least one branch office outside Baku. The four largest parties include, the **New Azerbaijan Party (YAP)**, led by President Heydar Aliyev and, the lead members of the opposition block: **Azerbaijan Popular Front Party (APFP)**, the **Azerbaijan National Independence Party (ANIP)** and the **Musavat Party**. Following is the listing of active parties and a brief description for those parties deemed to play a role in Azerbaijan's political scene:

National Independence Party
Revival and Progress Party
Peoples Democratic Party
“Ana-Vatan” (Motherland-Mother) Party
Peasants Party
Party of Civil Consent
Unity Party
Yeni Azerbaijan Party (New Azerbaijan)
“Musavat” Party
National Party of Reunion of United Azerbaijan
Azerbaijan Party “Hope”
National Movement Party
Azerbaijan Democratic Party of Independence
Azerbaijan Democratic Party of Owners
Party "Gorgud"
Azerbaijan Party of Patriots
“Alliance in the Name of Azerbaijan” Party
Azerbaijan Party of Democratic Enlightenment
Azerbaijan Liberal Party
Azerbaijan Party of Social Prosperity
Azerbaijan Social-Democrat Party
Azerbaijan Popular Front Party
Unique Communist Party of Azerbaijan
Communist Party of Azerbaijan
Adalat Party
Azerbaijan Democratic Party

New Azerbaijan Party (Yeni Azerbaycan Partiyasi, YAP): was founded in 1992 in opposition to president Elchibey by Azerbaijani Popular Front-supporters of Heydar Aliyev, who ran the Azerbaijani branch of the KGB before 1969. In 1969 Aliyev became the First Secretary of Communist party of Azerbaijan till 1982. The party is especially

strong in the region of Nakhichevan, and is dominated by people from this district. Former communist officials are also strong within the party. YAP became the largest party in the 1995 elections, when they won 65 seats, thus gaining an absolute majority in parliament. Since then some MP's left, while others have joined YAP. The party program is highly focused on the personality of Heydar Aliyev as the guiding light of Azerbaijan.

Party-leader: Heydar Aliyev

Azerbaijan Popular Front Party (Azerbaijan Xalq Cabhasi, APFP): Popular Front was formed in 1989 to promote the ideas of perestroika in Azerbaijan. Though not officially a political party, it became an umbrella group for a broad spectrum of individuals and groups opposed to the Communist regime. Azerbaijani Popular Front was the driving force during the transition period to independence and reached a peak, when Chairman Abulfaz Elchibey was elected president in the first independent elections. The success of Popular Front was abruptly broken when in June 1993 a bloodless coup forced Elchibey into exile and power fell into the hands of Aliyev. Despite the possibility that he might be arrested, Elchibey returned from exile in October 1997. The party was renamed Azerbaijan Popular Front Party (APFP) in 1995 and having successfully led the national campaign for independence and democracy, the Popular Front continues to command support among opposition minded voters. Nowadays the Popular Front consists of two wings: a nationalist group led by Mirmakhmud Fattayev and a liberal-democrat group led by Ali Kerimli. Abulfaz Elchibay died in 2000. The "official" split in the party took place in 2000, when the classical wing of the party held Congress and named themselves as Azerbaijan Popular Front party. Ali Kerimli is chairman of the reformist wing, and Mirmakhmud Fattayev is chairman of Conservative wing. In 2002 a group of members of Popular Front party left reformist wing and called themselves the Azerbaijan Popular Front party. This group is the third wing of Azerbaijan Popular front party.

Yeni Musavat Partiyasi (New Equality Party, Musavat): is the self proclaimed successor of the pro-Turkish Musavat Party that played a role during Azerbaijan's independence period 1918-1920. Following the victory of the Red Army and Azerbaijan's incorporation into the USSR, Old Musavat operated underground and from exile in Turkey. In the late 1980s and early 1990s the majority of the Musavat leadership was members of the Popular Front. In 1992 Musavat was re-established as a political party and registered in 1993. Initially, the party's ideology consisted of nationalism, pan-Turkism and pan-Islamism. Later it became more secular in its orientation. Musavat is in the forefront of the opposition movement in competition with the Popular Front. Both parties are more or less equally strong in membership. Musavat is commonly characterized as the party of the Azerbaijani intelligentsia. Just as Popular Front, Musavat has an ideological debate going on over nationalism and liberalism. Different leaders can be seen as tending to one or the other wing, but a compromise was found when the party program was adopted and Isa Gambar became party leader. Gambar is the founder and the former leader of the liberal wing of Popular front. Musavat boycotted the 1998 presidential elections.

Party leader: Isa Gambar

Azerbaijan National Independence Party (Azerbaijan Milli Istiglal Partiyasi, AMIP): is an opposition party led by former Popular Front-member and presidential candidate in the 1992 elections Etibar Mamedli. Over the last year relations between Mamedli and Aliyev have become very cordial. The party has extensive financial resources. AMIP favors market reforms and the creation of a national bourgeoisie. It blames Aliyev for the widespread poverty in the country despite the USD 40 billion worth deals with foreign oil firms to develop Azerbaijani offshore Caspian Sea reserves. Party goals are to speed up economic reforms and to loosen the tight credit policies. AMIP used to have four representatives in parliament in 1995-2000, but one left the party and became an independent pro-government MP. Party leader Etibar Mamedli was the strongest opponent against Aliyev in the 1998 presidential elections. According to official government results Mamedli only gained 11.6% of the votes, but several organizations, including the OSCE, accuse the government of tampering with the results.
Party-leader: Etibar Mamedli

Azerbaijan Democratic Party: was founded in 1992. A co-founder of the Democratic Congress. Main principle - free person, free nation, free world. After Rasul Guliev resignation from parliament in 1997, the Democratic Party represents his interests in Azerbaijan. ADP was excluded from the Democratic Congress in 1995, the party allied with the Adalet (Justice) Party in 1996. In 1997 the party was broken into two parts: Azerbaijan Democratic party and Adalat party. **Chairman: Rasul Guliyev, exiled former Speaker of Azerbaijani Parliament. General Secretary of the party is Sardar Jalaloglu.**

Azerbaijan Liberal Party: claims to have 5,000 members. Chairman: **Lala Shovket Hacıyeva**, former secretary of state in Aliyev's government, lost her position in 1994. Before returning to Azerbaijan after the 1993 coup, Lala Shovket worked for the Russian Duma's health commission.

Adalat party (Justice): excluded from the Democratic Congress in 1995. Ilyas Ismaylov founded Adalet (Justice) Party in 1996. **Chairman: Ilyas Ismailov**, a former Minister of Justice under Elchibey.

Yurddash (Compatriot) Party: Opposition, close to Popular Front, member of Democratic Congress. This small party was formed in 1991 by current chairman Mais Safarli to advocate on behalf of Azerbaijanis left by the breakup of the Soviet Union on the territories of separate, sovereign states. It subscribes to a domestic agenda of nationalism, rule of law and democracy, but has established its reputation mainly on the basis of its international agenda, particularly its efforts to promote the interests of its compatriots in Russia, Iran and, formerly, Armenia.

Yurddash was one of the initiators of the idea of the DemCongress but joined the organization only several months after its inception. The party joined forces with the Popular Front during the November 1995 elections to nominate some of its members to candidacies in the single-mandate races but failed to win a seat. The party's chairman was the editor of *The Baku Times*, an irregularly published English-language newspaper in

Baku. In 2000 parliamentary elections Yurddash party won one seat and Mais Safarli became the member of Milli Mejlis. **Chairman: Mais Safarli.**

Citizens' Solidarity (Vatandash Hamrailiy) Party: Opposition party and member of Democratic Congress since 1998. Founded in March 1992. Main idea is civil unification of Azerbaijani people. Balanced relations with Popular Front and Musavat. Chairman Rustamkhanli rejected a medal of honor awarded by President Aliev in 1998. **Chairman: Sabir Rustamkhanli**, MP, writer, poet and leader of the national independence, minister of information under Elchibey and Aliev, resigned in November 1995 in order to take up his seat in Parliament.

Minor Parties

Ana Vatan (Motherland) Party (AVP): Considered a pro-government party, AVP was established during the parliamentary elections in November 1990 and registered in August 1992. Since that time AVP has been a member of the Democratic Bloc. AVP supported the APF's policy and supported the armed coming to power of APF on the 15th of May 1992. Since June 1993, the AVP switched its allegiance to Heydar Aliev and the Yeni Azerbaijan party. Currently, AVP is a member of the Emergency Consultative Council of political parties created by President Aliev. AVP is in a bloc with the centrist parties since the spring of 1994.

For peaceful N-K settlement with the territorial integrity of Azerbaijan, early elections, early economic reforms, and eventual unity with southern Azerbaijan; opposes Russian restoration or Islamic fundamentalism. Opposes Social Democrats and Communists as too pro-Mutalibov. Participated in Roundtable but did not sign unity agreement, claiming it was too critical of the government. Many AVP members are from the same region of Armenia as Heydar Aliev. **Chairman: Fazail Rahim oglu Agamanli, former deputy minister for social protection under Elchibey and Aliev.**

Alliance for Azerbaijan: Also considered a pro-government party, the Alliance for Azerbaijan is a small pro-government party founded on November 17th, 1994, in Sumgait. Two members of the party collected signatures to become candidates on the majority ballot for the 1995 parliamentary elections, and chairman Samedov was certified as a candidate by the CEC. **Chairman: Abutalib Samedov.**

Communist party: The Communist Party has broken into four factions: S. Hasanov's faction is pro-government and viewed as the only legitimate bloc by the government. Hasanov was a presidential candidate in the 1998 elections. The other 3 factions are led by Ramiz Ahmedov (pro-Russian and close to Zyuganov's party), which got two seats in Parliamentary election of 2000; Sayat Sayadov (self-proclaimed as faithful to Marxist-Leninist-Stalinist ideals), and Musa Tuganov (considers himself a part of the Communist Party of the Soviet Union).

Social Democratic Party of Azerbaijan (SDPA): The founding conference of the SDPA was held on December 10th, 1989 with most members coming from the Popular Front. The party was the first non-Communist party to be officially registered (June 1990). The SDPA is different from other parties, because it is less personality based and more programmatic. The SDPA stands for the building of a civic society in Azerbaijan, and is committed to democracy, free enterprise and social justice. The SDPA advocates a peaceful resolution of the Nagorno-Karabakh conflict with Armenia through peaceful negotiations. Furthermore the SDPA favors cultural autonomy for national minorities. The SDPA is criticized because of its connections both with the Communist Party and the Islamic Party. The three parties have formed a block together. The social democrats argue that this is the only way to push these parties into a social democratic direction. By cooperation they feel they have a moderate influence on these other parties. Furthermore the social democrats think the social aspects of the party programs are very much alike. The party has 2,000 members mainly in Baku and one other region, Ganja. **Chairman: Zardust Alizadeh**

Political coalition-blocs

Roundtable: was founded in January 1995 under the slogan “Citizens for Unity”. At first there were 26 parties involved, such as Musavat, Popular Front, ADIP, SDPA and YAP, representing all parts of the political spectrum. The meetings of Roundtable were usually held at various party headquarters. Roundtable suspended its activities in early 1998.

Democratic Congress: Formed in 1994 by six parties. In the 1995 elections the Democratic Congress was unable to secure a voting bloc, and the Popular Front was the only Democratic Congress member to win seats in parliament. Since then two parties left and six more joined the political bloc. Popular Front chairman Elchibey has been chairman of Democratic Congress since 1997 and in November 1998 Musavat chairman Gambar succeeded him for the coming year. The 10 Democratic Congress members are: Democratic Independence (Demokratik Istiglal) Party, Musavat, Popular Front, Liberty Party, Modern Turan Party, Citizen’s Solidarity Party, Compatriot Party, People’s Democratic Party, and the Evolution Party.