

Fact Sheet: Azerbaijan

1) Azerbaijan: A hopeless autocracy

Azerbaijan has completed its post-Soviet evolution into an autocratic state.

With the sole meaningful source of external revenue flowing through a corrupt state oil company, the hope for a democratic Azerbaijan has been eclipsed - setting the stage for the growth of a corrupt, authoritarian and nationalist regime.

To everyone's detriment, except its own, the Aliyev family has placed Azerbaijan securely into the vicious cycle of a failed petro-state.

2) Azerbaijan: Autocracy on steroids

Azerbaijan's military budget is a major source of money laundering - a transit point for the movement of the nation's wealth into the private hands of senior officials.

In Azerbaijan, the non-oil economy is dying out, leaving oil exports as its sole meaningful source of revenue. Oil currently represents 80% of exports, with this figure expected to increase to 95% over the next ten years.

3) Azerbaijan: An uncertain future

If current trends continue, Azerbaijan leaders will concentrate increasingly on siphoning off oil revenues, becoming less concerned about growing disparities in wealth, and less able to relate to the issues confronting their population. This is especially dangerous in a state that has, since independence, only transferred power through violence or transparently rigged elections.

4) Azerbaijan: Demonizing Armenians

Azerbaijan's destruction in December 2005 of thousands of Armenian carved stone crosses (khatchkars) in Djulfa, Nakhichevan was Baku's latest high-profile hate crime - cultural cleansing aimed at erasing the Armenian presence in the region.

Ilham Aliyev's public desecration of the Djulfa cemetery was the act of a demagogue - a Slobodan Milosevic of the Caucasus - who cultivates ethnic hatred in order to build domestic support and distract attention from his own failings.
