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Divide and Co-Opt

GOVERNMENT-OPPOSITION RELATIONS IN AZERBAIJAN IN THE WAKE OF COVID-19

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Around the time of the February 2020 snap parliamentary elections in Azerbaijan, the government-opposition relationship took a surprising turn. In the run-up to the election, the ruling regime tolerated oppositional activity to a greater extent than it did in the past, in what some <u>described</u> as signs of the regime "softening." However, with the rise in COVID-19 cases in mid-March in the country and the introduction of quarantine on March 24, the government changed tack. It escalated a crackdown in order to prevent potential social unrest. While not unusual for the regime, which has an appalling <u>record</u> of arbitrary arrests, this time, its tactics shifted slightly. Its rhetoric singled out and selectively targeted opposition leaders and activists with principled and uncompromising stances (i.e., the radical opposition). It <u>labeled</u> them part of a foreign-sponsored "fifth column" – from youth activists to the leader of the Azerbaijan Popular Front Party (APFP) Ali Karimli and prominent opposition politician <u>Tofig Yagublu</u>.

Startlingly, the regime spared another opposition group, the still-unregistered political party REAL ("Republican Alternative Party") led by former political prisoner Ilgar Mammadov. Unlike APFP, REAL's stance is situational and seemingly relatively moderate. According to the February snap election results, REAL was the only oppositional force that was "allowed" to get even a single seat in the Milli Majlis, Azerbaijan's national assembly. The rise of REAL in the political arena and its moderation toward the regime is interesting, and its plans and stakes in the game are puzzling, particularly knowing Baku's political play-act of "divide and rule."

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² Applied here is Adam Przeworski's game-theory framework according to which a political opposition is <u>divided</u> into moderates (those who seek to reform the regime from within) and radicals (those who want to overthrow authoritarian incumbents). Ellen Lust <u>draws</u> the line between loyalist vs. radical opposition elites.

Signaling a Softening? Get "Real"

In April, the country's Supreme Court ruled to clear Mammadov of all criminal charges. This not only stands in sharp contrast to the regime's complete intolerance of the "radical opposition," but also opens the way for Mammadov to run in the next presidential election (2025). Rumors are circulating that an <u>early election</u> may be called in order to avoid overlapping with the parliamentary elections in 2025, as well as, possibly, to transfer power to First Lady/First Vice-President Mehriban Aliyeva, or some other elitepicked candidate. REAL was also the only (another surprise!) political party that agreed to participate in a so-called "political dialogue" with the opposition following the president's call for "inter-party dialogue" in early March. The APFP and the (long-time) Müsavat political party refused to endorse the dialogue process, and in a late-March speech, the president referred to them as "traitors" and "anti-Azerbaijani forces."

The government's efforts to <u>split</u> the opposition are, of course, nothing new. They follow a major government reshuffle that began last October in which an older generation of politicians ("hardliners") with links to the éminence grise (such as former head of the presidential administration Ramiz Mehdiyev) was replaced with presumably more technocratic cadres promoted by the First Lady's influential and ostensibly "reformist" Pashayev network.

The divide and rule tactic appears to pursue two goals. On the one hand, REAL's co-optation aims to weaken (or perhaps wipe out) the challenge posed by the "radical opposition" and then to promote REAL as the only legitimate opposition group, thus allowing the regime to continue unabated. On the other hand, by incorporating REAL into the political system, the ruling elite imitates "liberal reforms" and "benign autocracy" that appeases critics and attracts Western investors and donors. For the political opposition, the co-optation of REAL would mean its further fragmentation, possible loss of public support, and the perpetuation of the perception that all politicians are corrupt and nobody can be trusted. The exclusion of the radical opposition as an alleged fifth column also probably alienates and possibly radicalizes non-systemic opponents.

Times have changed. In the face of Georgia and Armenia's advances on the democratization front, Azerbaijan's "rollback" has turned it into a sort of pariah state akin to Aliaksandr Lukashenka's Belarus. The 2004-14 oil boom emboldened the regime to disregard Western criticism of its human rights record in international fora such as at the Council of Europe. The twin effects of low oil prices (first in 2014 and again this past spring) and the coronavirus pandemic have shaken the very foundations of the rentier-state economy, making the regime relatively more vulnerable to external pressures. In Azerbaijan, the weak rule of law, lack of checks and balances, and oligarchic control of the economy all increase foreign investment risks. A delay in signing a new partnership agreement with the EU, which has been under negotiation since February 2017, has impeded trade and economic linkages between Azerbaijan and EU member states.

If the regime is to avoid the Belarus scenario — voluntary or involuntary incorporation into the Russia-led security and economic orbit — or Turkmenistan's type of self-isolation, the Aliyev regime has to open up. An exit from the West would be highly unpopular with Azerbaijani audiences, excluding only the most conservative Muslim circles. Russian dominance would be viewed as the return of Russian neo-colonialism. Therefore, the regime is pushed hard to make certain concessions to keep the West on the table, not least as a force to counterbalance Russia's coercive diplomatic pressures. Westernization comes with strings attached, though, and the regime is cautious of the political risks of economic liberalization.

By imitating reforms, the regime is likely ticking the box in political conditionality that some Western partners are increasingly putting forward as a precondition for lending or support. For example, the European Bank for Reconstruction and Development (EBRD), which has acted as a major lender for the Azerbaijani government, has faced increased pressure from international human rights and accountability advocacy groups to ban lending to autocratic regimes with corruption and lack of accountability where loans have the potential to bolster a dictator's power. Studies show that developing countries often adopt international norms of transparency, for instance, joining the Extractive Industries Transparency Initiative (EITI) in order to gain reputational benefits in the international community of donors and lenders regardless of actual intent to reform. In March 2017, the EITI suspended Azerbaijan's membership after the government refused to stop the arrest and harassment of independent civil society members.

While major international financial institutions such as the World Bank and International Monetary Fund (IMF) were <u>unwilling</u> to reconsider their lending policies, the EBRD said it would be ready to engage with critical voices. In a 2017 campaign, a coalition of 26 advocacy groups led by Human Rights Watch <u>called</u> on the EBRD "to refrain from public lending or lending benefiting the extractives industry, including for the Southern Gas Corridor." The EBRD held a series of roundtables with civil society organizations in 2018-19 in order to address the growing concerns with the lack of transparency and shrinking civic space in Azerbaijan. The EBRD <u>pledged</u> to "consider selective sovereign lending activities after careful evaluation of related transition impact potential as well as undertaking rigorous due diligence processes." While the extent to which this statement has impacted the bank's further lending policies remains unclear, it is plausible to assume that certain preconditions would have to be met in order for Azerbaijan to receive loans.

Economic hardship wrought by falling oil prices in 2014 and 2020 has been discussed elsewhere (elite realignments here and corruption risks here); it is clear that dwindling oil revenues pushed the government to seek international lender and donor money. The State Oil Fund (SOFAZ), which contributes almost half of the state's budget revenue, will suffer a significant loss of oil revenue owing to the low oil prices and Azerbaijan's commitment to reducing output following the OPEC+ June 2020 agreement. The government will run a fiscal deficit, making it hard to finance multiple large-scale infrastructure projects such

as the completion of the Southern Gas Corridor. We are amid major <u>divestments</u> from Azerbaijan's energy projects while dealing with the COVID-19 pandemic. The leadership <u>presents</u> the infrastructure mega-projects as a part of its strategy to diversify the economy away from oil dependence.

February 2020 Parliamentary Elections

In the run-up to the February 9 snap election, there was relatively little interference with candidate registration. There was a surprising <u>flurry</u> of opposition activity, indicating a small potential for the country to evolve into a relatively competitive public space, given certain enabling conditions. Reportedly, about 1,374 candidates were running.

The opposition camp was roughly divided into three groups: traditional opposition parties, new opposition, and various independents and civic activists. In a nutshell, all opposition activity was centered on personalities rather than organizations. Civic associations and political parties are generally weak. A left-right ideological scale is largely irrelevant, as parties eschew competing on programmatic platforms or party manifestos. Ideological distinctions are hard to establish as virtually all parties appeal to the same set of ideas, namely nationalist (patriotic) sentiments and generic liberal democracy. With these caveats in mind, there is a small but vibrant community of youth activists of different ideological stripes who aspire to be in politics.

Müsavat and APFP are the oldest, traditional, and mainstream parties. They have been marginalized by government harassment, but they are still active. Arguably, APFP leader Karimli is the most recognizable opposition figure. In a rally that took place in the streets of downtown Baku last October, Karimli marched with protestors (but was stopped and beaten by the police). The APFP decided to boycott the snap election, refusing to grant it the veneer of legitimacy. Müsavat, with its relatively more moderate stance toward the regime, did participate. Its party leader, Arif Hajili, who took over from the charismatic Isa Gambar, announced a campaign under the slogan "Change your future with your voice." The campaign followed the traditional, unremarkable repertoire of contention.

These days, we see the old opposition being increasingly challenged by the relatively new opposition: the party REAL and other civic activists. REAL is perhaps the only organized party to emerge from the oil boom era of 2004-14. The Western-educated Mammadov, who was imprisoned for over five years until 2018, was not allowed to run for the parliament this year. According to Azerbaijani law, a person convicted of grave crimes — Mammadov was arrested on charges of organizing mass riots — is not allowed to run for office for six years. However, after the court removed all charges against him, REAL enthusiastically endorsed the call for snap elections and formed a coalition with other independent candidates. The REAL-led bloc appears to have been the only electoral coalition running on a programmatic <u>platform</u>. Coalition members want to see Azerbaijan transform into a "real" as opposed to an "imitation" republic (with checks and balances,

a stronger role for the parliament and municipalities, etc.). Furthermore, politician Azer Gasimli broke with Mammadov and REAL and joined forces with "D18 Movement," "N!DA," and other independent initiatives and candidates (notably blogger Mehman Huseynov, lawyer Samad Rahimli, and youth activist Turgut Gambar), in an electoral alliance called "Hereket" ("Action"). Its campaigns are interesting for their creative use of social media.

Finally, the rest of the camp of independent candidates is broad and diverse, comprising <u>youth</u> activists, young professionals, and bloggers. This group espouses a wide variety of ideas, values, and causes. Azerbaijan is a largely patriarchal society, and youth, especially from urban Baku, advocate for more personal freedoms, equal gender rights, and women's empowerment (a Women's March held by <u>feminists</u> in October 20, 2019, in Baku was unprecedented in this regard).

Crackdowns and Calls for Dialogue

The only REAL party member who managed to enter the new parliament was forty-eight-year-old Erkin Gadirli from the town of Ganja. Following the elections, REAL openly stated that they had been approached by the presidential administration for political dialogue. The president had <u>called</u> for a dialogue on March 10 in his speech at the opening of the new parliament. It is widely believed that Gadirli could not have secured a seat without tacit endorsement from the top.

Almost immediately after the government's introduction of quarantine measures on March 24, a series of detentions and home isolations of opposition leaders followed, targeting specifically Karimli and those linked to the APFP. Karimli was ultmately put under house arrest and opposition leader and known critic Yagublu was detained. Others, such as youth activist Bakhtiyar Hajiyev, apparently received intimidating messages on social media and experienced hacker attacks.

The government move to initiate a political dialogue can be interpreted in several ways. According to one, the regime may have wanted to create a reform-looking image for Western donors. Surrounded by relatively democratic Georgia and Armenia, the Azerbaijani leadership may have grown slightly concerned about its image in the West for both symbolic and material reasons. In a second interpretation, by encouraging dialogue with REAL and loyalist opposition parties, the regime sought to split the opposition, which was already weakening through intra-opposition bickering, and to validate REAL as the only appropriate and constructive form of opposition. This seems to have been clarified by the differential treatment of Mammadov and Rasul Jafarov, human rights defender and REAL board member, relative to other critics in the case of court acquittals. On April 23, the Supreme Court of Azerbaijan ruled to terminate all charges against Mammadov and Jafarov, following a judgment by the European Court of Human Rights.

Conclusion

Although the new parliament is dominated by regime loyalists, it is clear that a new generation of political groups and civic activists has emerged near the political arena. While it is small and lacks organization, it might be transformed into a force to be reckoned with.

In Adam Przeworski's view, a move toward political liberalization is more likely to occur when regime softliners/reformers align with moderate opposition. Within the ruling elite, reformers are confronted by hardliners (usually concentrated in the state security apparatuses) who believe that the regime should be preserved at all costs. However, it is not clear whether the recent reshuffle in Baku means the emergence of a genuinely reformoriented team and the demise of the Mehdiyev-centered old guard. The promotion of (presumed) young technocrats does not imply that they are empowered to implement market reforms, which would certainly hurt the interests of the still-powerful hardliners.

Furthermore, the rise of REAL and its reasonableness toward the regime makes for a bewildering development. Did REAL self-consciously allow itself to be co-opted, or is it trying to implement its own agenda by making concessions to the regime? Perhaps the calculus behind such pragmatic self-cooptation is that no matter how bad it may look to outsiders, this is the only way to make changes from within the system. However, the challenge here is how to preserve one's integrity while dirtying one's hands in regime politics.

From a broader perspective, the opposition's division along personality rather than ideological lines makes it hard to defeat the regime. A form of <u>discursive closure</u> prevents the emergence of ideological competition and debate. In its early years, REAL looked like a fresh and more ideologically-oriented alternative to mainstream opposition parties in Azerbaijan. However, the co-optation and moderation of REAL make it easier for the regime to make very small concessions (one seat in parliament) by keeping the status quo essentially intact.



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