

**Oil Workers Rights Protection Organization**

**OBLIGATIONS TAKEN BY AZERBAIJAN BEFORE  
EUROPEAN COUNCIL : CORRUPTION  
AND POVERTY**

**Special Bulletin  
Of  
“Azerbaijan Against Corruption” Survey Group**

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Author writings in this special bulletin were published in newspapers. These writings are shortened in this bulletin.

“Yeni Musavat” (Zamin Haji)

“Baku Kheber” (Metanet Muslumgizi)

“Tezadlar” (A.Mammadli)

“Bizim yol” (Razi Abasbeyli, Mahammad Ersoy)

***Editor of special bulletin: Zamin Haji***

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## **REACTION**

### **“TEZADLAR” HELPED...**

Asif MERZILI  
Member of AG  
“Azerbaijan against Corruption”

### **Articles in newspaper on corruption had impact**

It is already the sixth month that on the advice of “Azerbaijan against Corruption” Analysis Group serial writings are published in “Tezadlar” paper on corruption. These articles covered major fields of country’s economy – oil industry, public health, tobacco, ecology and construction.

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Articles released in a few of last issues of “Tezadlar” paper on destructions of green spaces of capital were subject to survey.

After articles titled ““Dead” executive orders in Nizami district” published in issues of our paper released in 2004, November 2, 9, 16 and 23, Baku city Prosecutor’s Office started inspection.

Those articles covered sending of official letters 01/05/966 and 01/05/965 with signature of M.Ahmadov, Chair of Committee on Control on Baku city Ecology and Use of Nature to Baku city Prosecutor A.Mirsalamli on cutting of thousands of precious Eldar fir, olive and other trees aged 25-30, occupation of territory in Chobanzade street of Nizami district by restaurants ‘Khan gizi”, “Natavan”, “Khari bulbul” and firm “Gunel”.

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Baku city Prosecutor’s Office orders Nizami district Prosecutor’s Office to take measure. And prosecutor of Nizami district H.Gambarov sends letters B-264 and B-265 on July 11, 1999 to Head of Nizami district Executive Power E.Azimov, requests to release the territory, compensate the damage made. And Head of Nizami district Executive Power E.Azimov...

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E.Azimov calls owners of mentioned objects to himself and “talks” with them in such a manner that since then Baku city Prosecutor’s Office, Nizami district Prosecutor’s Office and Committee on Control on Baku city Ecology and Use of Nature prefer to keep silence. But...

Because of appearance of “but”s, restaurants ‘Khan gizi”, “Natavan”, “Khari bulbul” grew and became Wedding Palaces, instead of being punished. Even ‘Khari bulbul” has a child next to it – second wedding palace is built beside. Firm “Gunel” grew from this “care” and became a big “girl” – changed to new establishment...

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We sent articles on this again to Baku city Prosecutor’s Office. Beginning from last week, Nizami district Prosecutor’s Office started special investigation on the executive order of Baku city Prosecutor A.Mirsalamli.

Ecology experts, who carried out in due time survey on this material that is under authority of deputy of district prosecutor Vagif Khalafbeyli, were called again to Nizami district Prosecutor's Office to give explanation.

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In article "Anatomy of anarchy" released in issue of paper dated July 27, 2004, corruption and bribery in "Azneft" Union Qualified Repair-Construction Department was covered. Article was prepared in base of official complaint letters of department employees, as well worker Intizam Shahverdiyev (three persons) to President I.Aliyev and editorial board.

After release of article, direction of "Azneft" union interfered issue and response letter of Director General of Union Y.Jamalov was published in next issue of paper. Also three complainers that were fired from job were restored to their job. Commission created by direction of "Azneft" union, defined confirmation of facts mentioned in article and chief of department Tofiq Babayev was fired from his office.

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In issue 25 of paper dated July 6, 2004, serial article "What happens in "European-Tobacco-Baku"?" was published.

This article was prepared to publication in base of complaints of more than 300 stockholders of "Baku-Tütün" OJSC.

After publication of article, President's Apparatus, Home Affairs Ministry and Department of ministry on Fight against Organized Crimes, Taxes Ministry, lastly Finance Ministry intervened this issue.

Finance Ministry still realizes surveys in combine. Reason of this is privatization of OJSC, deposit of some documents in head office of "Sorex" Group of Companies located in Great Britain.

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In article "Two faces of one order" published in issue 47 of paper dated December 7, 2004, it was talked of corruption and bribery ongoing in Caspian Sea Diving and Rescue Department of "Azneft" Union. Article was written after appeal of former lawyer of department Azer Guliyev to Chair of Oil Workers Rights Protection Committee Mrs. Mirvari Gehramanli and official appeal to our editorial.

After publication of article, after interference of direction of "Azneft" union, chief of Caspian DRS A.Ibrahimov, facts mentioned in article were analyzed. Then, violated rights of complainer A.Guliyev were partly restored. Reply was sent to editorial with signature of chief of Caspian DRS A.Ibrahimov.

We presented several articles that were published over the last period and analyzed by governmental bodies, and measures were taken. Numerous articles were published on corruption on the advice of "Azerbaijan against Corruption" Analysis Group. A number of them are still studied by governmental bodies.

## **POLITICS**

### **BANK ACCOUNTS OF THE ALIYEVS ARE FROZEN**

Razi Abasbeyli

## **Disclosure of a big group dealing with illegal weapon traffic is not useful for The Aliyevs**

Baku-Tbilisi-Ceyhan line will be put into operation for the middle of next year. West and USA have already expressed openly their annoyance to Russia and Iran from creation of close ties between Azerbaijan and these countries after arrival of Ilham Aliyev to power. Fight of groups occurred recently inside the power is not accidental. Serious changes will happen in Azerbaijan till parliamentary elections start. Opposition is aware of this. Preparation has already been started. Some youth organizations became more active. Donor organizations of US and West acting in Azerbaijan prefer projects concerning youth. Since the middle of last year, Soros Foundation, Eurasia Foundation prefer projects of just youth organizations. According to information we have, in budget of 2005 donor organizations will prefer projects given by youth for consolidating control opportunities in order to provide fair elections.

Main goal will be directed to creation of strategy of fight. No stavka is made for now to any party or youth organization acting by any party. It will not happen till the last moment. Important stavka will be made to youth organization which will be defined strongest at the last moment. But for now main goal is to finish construction of Baku-Tbilisi-Ceyhan line and to put it into service. There is a big guess that military units of US and West will be brought to Azerbaijan after line is put into operation.

Already some officials started to work already for providing insurance of their life. They even do not afraid of making stavka in smallest opposition forces. But Economic Development Minister Ferhad Aliyev is not among these. F.Aliyev is first victim performing in plan prepared by Ilham Aliyev supporters in Baku against US and West. But sources informing us have enough information on this. Last week it was informed that bank accounts of the Aliyevs in British banks were frozen suddenly. Entrance of ordinary Azerbaijanis in Azerbaijani Embassy in London was prohibited. It is not known on whose order bank accounts of the Aliyevs are frozen. Reception of Ilham Aliyev of invitation of official visit to Great Britain is not valued as result of normal diplomatic ties. Visit program which was agreed before was very poor. There was not any important meeting during visit except written obligation taken by Ilham Aliyev. While taking interest in bank accounts of the Aliyevs that are frozen in "British Bank" of Great Britain, no response was given to them.

They were just said that Interpol implements operations for capture of illegal group dealing with weapon traffic. That is why big bank accounts are temporally frozen.

So home affairs minister of Lukoshenko, current president of Byelorussia, dealing with weapon traffic in the world, did come to Azerbaijan on purpose. Even sources in President's Apparatus inform that information on visit of boss of Byelorussian militia to Baku was given a day before. Program of visit was not planned in advance. Name Lukoshenko is in forefront in list of heads of states dealing with weapon traffic in the world. We receive information that for removal of created dissatisfaction, there is need for talks of Ilham Aliyev and Lukoshenko. Now The Aliyevs are worried mostly because their bank accounts are frozen. Transportation of moneys of family deposited in other banks got difficult too. Sources in Turkey inform that such information is already released in press. Transfer of moneys of the Aliyevs from Turkish "Eksimbank" to Russia got difficult. Banks banned the Aliyevs to realize big money transfers. As official excuse it is shown discussions held in European Union on Turkey. But indeed they also know that the Aliyevs are worried.

In the meanwhile small Aliyev supporters, who are worried in Baku, transport their money to abroad because of fear of losing their offices. Work is stopped for two days in sale points of “Azpetrol” company, stocks of which belongs to Rafiq Aliyev, brother of economic development minister, in Turkey coasts of Black sea. Other points of “Azpetrol” in other countries do not realize money payment operations. Even if funds that company receives as income, enter banks, they do not get back. Several petrol stations of “Azpetrol” in regions of Azerbaijan can be closed in coming days. Those giving this information to us are employees of company. Reductions will start in company and orders are given from the top on this.

All these annoyances are start for now. Official openly interfere in economic fields of each other. Already fight has been started between Sheikh of Caucasian Muslims Department and Chair of State Committee on Religious Structures because of giving of licenses, on disclosure of bases that deal with sale of medicine in domestic market and under monopoly of Murtuz Alesgerov, for reviewing licenses given to higher schools. These are known to press. Biggest fight occurred recently on monopoly. As exaggeration of this issue would not be useful for both sides, it was closed soon. Now, even Minister of Communication and Information Technologies Ali Abbasov scares mobile communication operators in Azerbaijan that third operator comes. Collection of money by official such hurriedly informs that many are aware of facts mentioned above.

## **PUBLICISM**

### **CASE OF RAFAEL GUBER**

Zamin HAJI

### **OR HOW CORRUPTION IS FOUGHT IN GHANA**

Perhaps Baku residents specially attentive part of them recall an original occasion: “razvod” of city traffic police or saying in our language, “daily settlement process” is implemented in front of statue of Mahammad Fuzuli. We can call traffic police one of most corrupted structures of Azerbaijan and we would not make mistake if we consider their gathering today in front of statue of great poet who said yet 500 years ago “I said hello but no one answered because it was not bribe”, joyful game of fate. It looks like, for example, butchery is opened in front of statue of our great poet Nesimi whose skin was pulled off by religious figures. By the way, it needs to recall why that famous word of Fuzuli was entered in work “Complaint”. Because this event is of importance today too.

At the time, sultan used to allocate individual pensions to “famous figures of science and culture”. And Mahammad Fuzuli had gone to local “social-provision department” to get that pension and he was demanded bribe for entering him in list.

Differed from sultan, now, Ilham Aliyev does not leave distribution of individual pensions to local departments, he takes “bribe” personally. It is enough to see list of names of pensions allotted for famous persons of Azerbaijan by fund created by head of state in unknown way and unfair manner. These lists include names of persons praising family of the Aliyevs (next list was made in December consisted of 50 persons).

In one word, for being “famous” in Azerbaijan it is not enough to have big successes in art, culture, literature and other fields, it needs to praise power family, to pay moral bribe. We do not have only Heuter, otherwise it is possible to write wonderful “Faust” on this devil trade.

Speaking of devil, it would be fault not to remember our famous prosecutor's offices. Our society is shocked by news recently heard: employment in prosecutor's office is realized by test! 599 candidates gave document to 60 places and State Commission on Student Adoption took examination. It is very strange, it turns out that there would not be need for bribe to work public prosecutor. Then what is taste of prosecutor's office?! But get feelings of danger out of your brain: persons passing the examination will answer before the special commission created by General Prosecutor's Office. Perhaps, experienced persons immediately understood meaning and amount of "answer". From this point it needed indeed to change place of procedures: those able to "answer" general public prosecutor they should be admitted in test examination. Why people should have more trouble? Prosecutor's office is a sort of conservatory, first sing a song then enter test!

Recently branches of art such as painting, sculpture are developed. Due to head of state! Portraits of his late father is attached everywhere, his statues are built. Naturally, all these costs are covered due to corruption and no official statistics is realized. An absurd view. For instance, Baku city Executive Power which does not find funds to pay compensations to residents moved from around US Embassy and plays with court decision, erected hundreds of portraits with picture of Heydar Aliyev over the last months in streets of capital, updated tens of posters. It would be more useful if those posters were hung horizontally that homeless people can find asylum under them when it rains.

I was thinking too much about whether state official of other countries makes money by selling pictures of his father. Answer is positive. It is Switzerland!

Court case of Rafael Guber, inspector of restaurants and bars in Zurich canton of Switzerland caused big resonance in the 1990s of last century. This man was accused of taking \$1,84 million of bribe from people applying to him in 1981-1991 for getting permission and license. All the country was shocked because transparency of state official in Switzerland is doubtless. It turns out that Guber was taking money or under name of debt either making them buy picture of his late father in expensive price (Fact is taken from book "State conduct ethics systems" of "Transparency International", Baku-200, page 52).

Of course, readers may be unsatisfied that I should not write this fact which can be support for phrase of officials – "corruption exists everywhere". But let us not forget that Guber was ordinary inspector and was involved in responsibility. Unfortunately, that book does not cover duration of punishment of Guber. But there are other facts. For instance, in due time people revolted in Ghana and executed corrupted head of state...

## **SURVEY**

What happens in "European-Tobacco-Baku"

A.Mammadli

(Continued from previous issue)

....We familiarized you so far with illegalities happening around Baku Tobacco Combine with our serial analytical articles released in our paper.

These articles had impact. Representative of European Council Human Rights Court contacted our editorial and is going to start judicial survey on all facts and documents covered in paper. And it has reason. Naturally, Azerbaijani government adopted State Program on Fight against Corruption on the advice of European Council. And corruption facts admitted in separate private or governmental enterprises of country are reasons for interests of both government and EC.

What did tobacco employees requested from Ramil Usubov?

"To Home Affairs Minister Mr. R.Usubov!"

As you know, Azerbaijani government is member of European Council and that is why, on its demand it adopted State Program on Fight against Corruption on 2004-2006. Mr. R.Mehdiyev, head of executive apparatus of President, was appointed chief of State Commission on Fight against Corruption.

Working group of commission is created, heads of governmental structures started to act as members of this group.

We – stockholders of Baku Tobacco Combine are victims of corruption from 1996 till today. As a result of illegal privatization started since 1998, Combine was changed to source of income of some foreigners and some officials working with them. It is impossible to describe situation of Combine that had in due time more than 900 employees. Combine that was sold (!) for two times to foreigners is bought and ruled now by “Sorex” company, address of which is not known correctly.

In reality it does not rule it. If it works, then it would have income, fulfill its obligations before state budget. Now, Chair of Board of enterprise known like “Baku-Tutun” Open-Type Joint Stock Company Rufat Guliyev heads mechanism of punishment for Azerbaijani employees. So far, hundreds of stockholders have not received any dividend and those who left the Combine because of low salary and hard working circumstance have not got their labor book. These mass human right violations and illegalities cannot last long!

Dear Mr. Usubov!

We do not want to waste your time as detailed information was given on this events happening in “Baku-Tutun” OJSC in “Tezadlar” paper and monthly bulletin of “Azerbaijan against Corruption” Analysis Group.

We thank you that HAM reacted first of all problem raised in this survey writings.

Mr. Minister!

Inspection group created on your order contacted about a month ago and said “do not worry, we will find you!”. But since then they do not answer our phonecalls.

Head of group Zakir Ahmadov seems to forget words he said. Then we offered to enter us also in commission in order to provide fair realization of inspection. Or to listen to us and give our questions to Rufat Guliyev chair of Board of OJSC and other foreign heads of venture. But no one contacts us. Vice versa when we call and try to get some information or any document we are made insulting appeals. For instance, member of survey group Yashar answered Tofig Agayev (former main engineer of Combine, professional tobacco specialist) with insulting appeal such as “Are you head of this “band”?”, “What do you want from direction of Combine?”. But we are informed that this group connected to your name is in cooperation with Combine direction. As a result, such an action causes creation of negative opinion on You, as head of HAM, in Combine which has hundreds of complainers.

Mr. Minister! We request You to prevent these and take under control end of inspection, started with good will, with positive result.

Sincerely: T.Agayev, S.Hasanov, G.Ismayilov, A.Vafadarov, R.Rehimov and others”

We receive very bad information, materials and complaints from stockholders of “Baku-Tutun” OJSC. The problem is that complainers and documents are many and that is why it is impossible to post all them in papers from technical point of view. But we try to locate some of those complaints.

This time, we will have brief look at application of Bayram Farzaliyev, born in 1934, who worked in Baku Tobacco Combine since 1968, left his job voluntarily on February 10, 1998.

B.Farzaliyev gave wide interview on games played with him.

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Interesting moments are disclosed in interview. It turns out that first heads of combine offered him to sell “leviy” cigarette (elder stockholders are offered such kind of job first). Saying “Who will answer, if I will be captured some day” he denied. After this, his monthly grant amounted 170,000 AzM was cut. And they did not want to talk of dividend.

Last time B.Farzaliyev faced interesting event. Chief of personnel department and lawyer of combine made him strange proposal on behalf of Rufat Guliyev: “We offer you to sell your stock to us and do something for you”. B.Farzaliyev answered: “It is share of children and grandchildren, I cannot sell it”.

According to B.Farzaliyev, such kind of proposals are made to all stockholders of “Baku-Tutun” OJSC.

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Affair of B.Farzaliyev was heard at Nizami district court, too. His numerous appeals to higher instances and answers to these appeals are surprising. Because almost in all governmental structures his rights were protected as stockholder. But no governmental organ cannot demand these rights from direction of “Baku-Tutun” OJSC. Why? Almost no governmental organ cannot say this enterprise “you got eye brow on your eye”.

Saying with words of former main engineer of combine T.Agayev: “It is not because “European-Tobacco-Baku” is private enterprise. It is because there is such a hand on “Baku-Tutun” OJSC that no state official does not want additional problem”.

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it means that there is no respect to laws of country which entitles many rights and privileges to stockholders...

What about complaints of B.Farzaliyev and others we will publish detailed information on this in our next issues.

Who rules “Baku-Tutun” OJSC?

In our last issue we covered an article released in Turkish paper “New thought”. Wide article is published on that article in ‘New Musavat’ paper issued on January 31, 2001.

Complainer stockholders coming to our editorial presented documents, paper materials on that article as well article published in ‘New thought’ paper.

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According to “New thought” paper, businessman called Hazar Handa (of Armenian origin) entered cigarette market of Azerbaijan...

We present some moments of article released in “New Musavat” as they are. Paper (as well “New thought” writes:

“...Hazar Handa was born in 1961 in Iraq. His mother is Lebanon Arab, father is Armenian. He started to work in Turkey in 1997.

The same year organized illegal transportation and sale of “Marlboro” cigarettes of 3,5 trillion Turk lira from Turkey to Europe. After being interrogated those years by National Investigation Organization, Hazar Handa was fired from Turkey. Events happened after this, were written like this in “New thought”:

“After being fired, Hazar Handa continues his cigarette smuggling with “European Tobacco” he founded in 1998 through Greece. He is in Greece now. Handa, son of family moved in 1915 from Anadolu and inhabited in Iraq, now realizes without any problem cigarette trade in Baku city of Azerbaijan, friend and brother to Turkey (“Turkey” paper writes that Armenian businessman came to Azerbaijan in 1998 “Y.M.”). He has an agency (firm) in Azerbaijan opening of which is unknown and it brings cigarette “Sigario”, produced in Armenia, to Azerbaijan without any problem. All know that Handa gifts his moneys earned over Turkey to PKK and money he made in Azerbaijan is invested in Armenia and Georgia (according to “Turkey” paper, H.Handa, who has shoe factory in Armenia, cigarette factory in Georgia, has close links to Dashnaksutyun – editorial).

It is unknown how activity of this company is permitted in Azerbaijan which is in big corruption and bribery, who is supporter of this company. Because of indifference of Turkish and Aliyev government to this issue, this man easily continues his cigarette trade and it is under question where does his money go? Immediate disclosures have to be made soon on why Azerbaijan supports this man and this man has to be fired from Azerbaijan...”

“New thought’ paper writes that Azerbaijan National Security Ministry has no information and document on person engaged in such illegal actions: “We want Azerbaijani state official to answer some questions. Why does Aliyev government keep this man in its country? What is benefit of Azerbaijan here while this man invests his moneys, earned in Azerbaijan, in Armenia?”

One of documents presented to our editorial caught our attention specially. It is about audit inspection implemented in “European Tobacco-Baku” by Head Office of ‘Sorex’ company located in London.

It comes clear that audit inspection was realized in enterprise in summer of last year. As a result of inspection it was known that ready product was hidden from registration, tax evasions were admitted, real incomes were shown incorrectly and other financial illegalities...

After a short while about result of audit inspections... For now we want to talk about appeal made by one of prestigious stockholders (name will be noted later) to leadership of “Baku-Tutun” OJSC 2 months after that inspection.

It is written in that appeal addressed to Rufat Guliyev, Chair of Board of “Baku-Tutun” OJSC:

“Mr. R.Guliyev!

Despite our numerous advertisements, no one talks of reception of dividends of ordinary stockholders of enterprise you showed as profitable and developing. And no one is interested why stockholders cannot get their dividends?...

Interesting, why only Rufat Guliyev, Chair of Board of “Baku-Tutun” OJSC, and his team see benefit of enterprise? Why instead of paying dividends, R.Guliyev wants to possess stocks of simple stockholders through different pretexts and ways?..

Because from the first day your activity is founded on lie and false documents.

\$60 million, as if you spent for modernization of enterprise does not coincide with real expenses. Appliances bought by you are produced in 1971-1974, old and used for long time. And these appliances are not in use because they were not available for production. Then they were restored and registered in enterprise as new ones. Mr. R.Guliyev, establishments, machines, producing cigarette, that were in enterprise when you came there are produced in 1984.

(“Garant”, Mark-9, Lus.) is more modern and productive.

We ask you: Where and whom have these appliances been sold to, where are they now?...”

## **BUREAUCRACY**

### **NEW PASSPORTS – NEW SOURCE OF CORRUPTION**

Sevinj TELMANGIZI

### **Departure from country with identity card will be banned by the new year**

“According to Law “On to depart from country, arrive in country and passports”, by January 1 of next year, departure of all citizens of country from frontiers of republic including CIS republics, will be implemented in base of only diplomatic, service, citizenship passport and sailor book. According to information given by HAM Passport Registration Department to “Trend”, by that date, identification cards of citizens that are translated and confirmed by notary, old USSR passports, other documents identifying personality that were used before will not be base for departing country.

It is also noted in information that, by January 1, “Avtonegliyatservis” Department of Transport Ministry, “Azerbaijan Hava Yollari” State Concern, Azerbaijan State Railway and Caspian Sea Shipping Department will realize ticket sale to citizens departing outside the country, in base of diplomatic, service, citizenship passport and sailor book, as mentioned above.

It is interesting. There are only a few days till 2005. What is reason for this unexpected decision of PRD? Who will prevent obstacles that will be created for citizens delaying their business visits, travels till first days of next year? From another side, despite time of issue of citizenship passport is one month, why this decision is announced in middle of December?

Human right defender Saftar Nehmetli thinks that already HAM created specific system in giving of identification cards and foreign passports. According to him, Azerbaijani citizens give “confectionery” or bribe under another name in governmental structures for receiving their documents. Despite laws define 5,500 AzM duty for reception of identification card, application forms are given for 20,000 AzM in district departments of PRD. Prepared documents are received in room of responsible official and 10,000 AzM is taken for this. And if someone opposes it, people waiting in duty there show their dissatisfaction and hurry it to solve it soon. Citizen wanting to get its identification card sooner than shown time, pays additional bribe for this”.

S.Nehmetli mentioned that several officials were punished because of these illegalities. He said that because of giving false identification cards in Binegedi district, a few of officers of passport departments were involved in criminal responsibility. Our respondent said that this information was covered in mass media and this fact happened in other several districts.

Now PRD district departments are full of citizens wanting to receive their passports. There is no doubt that in this case bribe will be flourished there. Human right defender considers that HAM creates this case on purpose. Citizen wanting to get passport will give bribe in order to settle its issue soon: “In republic, man giving bribe can get its passport in a week in departments giving foreign passport. To put obligation on the people in short time will lift number of people wanting to get their passport in that time and so, sum of bribe. And it is specific corruption. Even press covered such facts that false identification cards are given to people that are not Azerbaijani citizens in passport departments of Azerbaijan. From another hand, citizens dealing in Russia with business will not be able to come here and get passport. They will be obliged to get their passport through their relatives paying high prices”.

Mr. Safar touched ways of solution mentioned problem. He said that for this, first of all, passport departments have to abolish bribe they “pay” to the top. From another hand, he thinks that price of foreign passport has to be dropped from 110,000 AzM to 5,500 AzM: “All know that foreign passport costs state for \$1,2. Then why they make citizen pay 100 times higher price for a thing amounted in \$1,2?”.

We wanted to cover attitude of PRD on the issue, but our effort failed. We will follow the topic.

## **FORECAST**

**PRICES WILL RISE IN JANUARY AGAIN**

**R.ABASBEYLI**

**Welcome – 2005 is year of hunger**

Get ready. Prices will lift in Azerbaijan by January of next year. Social situation will be worse in winter in country. This process is going not so rapidly and that is why middle statistic Azerbaijanis do not suffer from this. Serious crisis will be lived in country in coming months as a result of increase of prices that was realized recently. There will be serious financial pressures in Azerbaijan in next year. Next year Azerbaijan has to repay some of grants received from foreign organizations. New owners of debt are appeared. Next year Azerbaijani government has to pay membership fees to organizations in which Azerbaijan is member.

In comparison with previous years, official Baku has to repay in 2005 a big part of credits it received. According to credit agreements signed in 1995, Azerbaijani government has to repay credits it received during 10 years and 0,75%-state-guaranteed debts. Still no report was presented to international organizations on spending of big part of these debts. Numerous surveys were conducted on spending of credits received on state guarantee to Absheron Regional Joint Stock Water Company (now Azersu State Company), Baku city Executive Power, Ministry of Public Health. But because of disclosure of serious embezzlement facts, report was impossible to creditors.

As reports are not submitted it will have serious impact on stage of repaying the debts. According to a number of international conventions, in case of absence of reports additional fines are counted on repaying of credits.

Naturally, amount of foreign debts per a man in Azerbaijan which is \$250, is not so big. Some economists say that it is not dangerous now. But these debts can create serious danger in close future. It is not excluded that if this economic-political course will be continued in close future, dangers concerning debts will be shown in life of people. We do not exclude that different fields of Azerbaijani economy will develop. Maybe there will be statistic development in any field for benefit of someone. Or one of family members may open a small work place. But since next year, there will be danger of inflation, frozen for 10 years, in country. Incomes of state will decrease. It shows itself in yearly increase indexes of foreign investments made in our economy. Volume of foreign investment made in Azerbaijan over the last 2 years decreased for 30% regarding last years. It means that rate of economic risk in Azerbaijan lifts daily. And interest in economy of country decreases. Internal financial potential is in bad situation. Gained incomes are collected in hands of a group of men and our resources are not available for development of Azerbaijani economy.

Now, one man in our country can live by \$100 without any income. There are 4 million permanent residents in country. So, if 3 million of them do not officially work, \$300 million is demanded for every man to live in a month. 300 million will make \$3,6 billion during a year – 12 months. Volume of Azerbaijani budget does not pass now \$1,35 billion. Funds required above is 2 times higher than budget. No one can say that monthly income of population of country is more than \$100. It is possible that one earns \$200, another \$100 in family consisted of 4 members. But another 2 members of family are exactly unemployed. In base of this formula it is possible to define \$100 per capita as a result. But this figure cannot be belonged to all.

Current statistics on increase of incomes of population of country is not appropriate with reality. In place of increase of prices, incomes of people will decrease next year. Serious reductions occurred concerning supply in last agricultural season. There was reduction in all products including cereal and fruits. Of course, this reduction will cause serious problems. For now, Azerbaijani villager eats product it collected in last season. It will not last for long. And reserve warehouse of state is empty. Absence of cereal fund will have negative affect to social situation. And this decrease will seriously affect pockets of officials. Reduction of productivity in domestic production economy will affect volume of capital going to pockets of some monopolist and robber ministers. Reduction of social incomes will result in decrease of bribe stavkas.

It is considered to lift prices of internal energy resources by next year. Because according to obligations taken by Heydar Aliyev in 1995, prices of energy resources will not be in current level. Ilham Aliyev took such a step. Preventive preparation works were done for increase of prices. There is 10-15% growth in prices of all products of food industry. Growth of price of fuel again will not affect positively to social welfare of population. Get ready, sirs. You have not still pay money for gas and light on new tariffs.

## **ATTITUDE**

### **YOU HAVE TO GIVE BRIBE FOR FIGHTING BRIBERY**

Mahammad Ersoy

#### **Ramiz Mehdiyev cannot fight corruption because he is engaged in this dirt till his throat**

Authorities try to create a view of fighting with corruption under pressure of international organizations and for forming this impression power tries seriously. On this purpose, State Commission on Fight against Corruption was created recently under leadership of Ramiz Mehdiyev, Head of Executive Apparatus of President. No practical activity of this commission is seen so far. Only different views are seen.

For example, Head of Baku city Executive Power Hajibala Abutalibov confesses that he is briber and talks of his engagement in bribe with pity but there is no measure taken. Another fact. Head of Executive Power of Azizbeyov district of Baku tries to put bribe in pocket of employee of ANS TV channel in front of camera of ANS and all the people and again it is not punished. It is only fact and confession which is seen. Almost all Azerbaijani population can witness or more exactly they witness everyday numerous such kind of facts that are in secret. Because not only do business or educate as well to live is not possible without bribe.

So, state commission led by Ramiz Mehdiyev keeps silent while country is rich with facts of corruption and bribery. It does not show population its any "discovery" concerning corruption and bribery that nation could believe that they work. It seems that Azerbaijan, founded on symbols, realizes symbolic fight against corruption and bribery. If it is not so, state commission led by R.Mehdiyev would achieve at least arrest of Hajibala Abutalibov.

Hajibala Abutalibov is not only official to be involved in responsibility by Ramiz Mehdiyev. Almost all officials, doctors, polices, teachers of current power including Ramiz Mehdiyev himself are engaged in dirt called bribe. Because it is state policy, form of ruling. Due to 10-years hard work of Heydar Aliyev a big pyramid of bribe is created in Azerbaijan. All bottoms work for top and top protects crimes of bottoms.

So, announcement of fight by current regime against corruption is exactly show and it cannot be reflected in practice. Information entered recently our editorial proves what we said. It is known that on the demand of European organizations department was created for fighting corruption in prosecution agencies. When first information was diffused on creation of this department population believed in their work. Naïve population, intended to be deceived always, forgot grounds in which regime works, that corruption and bribery is form of management preferred by current power, started to believe that authorities will fight corruption and bribery that bored the population. And any official taking bribe will do it carefully as in time of Heydar Aliyev.

So, authorities managed to give big hope to population desiring of creating a form of ruling that will lift prestige of prosecution agencies. But the thing was given was only hope. As usual,

society did not get something useful from this power. You may think that why we think so pessimistically on the power which is not formed fully still. There is reason.

Information we receive confirms that \$50,000 is required for working in office of head of department on fight with corruption in prosecutor's office of one of districts of Azerbaijan. Yes, if you want to fight bribery then give bribe and conduct your fight.

It is really Azerbaijan here. Azerbaijan creates again landscapes astonishing the world. And reason is one, current regime. The more this power engaged in corruption and bribery, as Hajibala Abutalibov said – stained with dirt called bribe, sits on our head the more this country will be isolated from rate of development of the world. Because corruption and bribery is main criterion interfering development of society.

## **CONSTRUCTION**

**WHAT AFFAIRS OFFICER OF PRESIDENT DID WITH 1,2 BILLION AZM ALLOTTED FROM BUDGET**

**ELKHAN HEMIDOV**

### **Akif Muradverdiyev denies giving apartments belonging to construction trust**

Scandal started since 1999 between Affairs Department of President's Apparatus and "İjtimaımedenitıkinti" trust drove employees of trust into circumstance of Mashadi Ibad. Event will be told to you by chair of trade union of trust Aziz Azimli. According to our respondent, in December, 1991, Affairs Department signed contract with this trust on construction of multi-stored house located in Nesimi district, Pishavari Street. According to agreement between sides, after 54-apartment building is built and delivered, 10% of apartments – 5 apartments had to be given to balance of trust. But before construction of house was started, direction of trust was aware that names were absent in list of division of apartments and reminded Chief of Affairs Department Akif Muradverdiyev obligation on allocation of 10% of built apartment area according to article 16 of "special conditions" of additional agreement 25 dated June 8, 1992. But letter was not answered. Agreement 25 signed between the sides on June 8, 1992, considers allocation of 10% of built apartment area to trust.

Building was received for exploitation on July, 1996 by State Reception Commission. But Affairs Department of PA hesitated for 3 years in distribution of houses. 3-years break was grounded with several reasons. First, even if Affairs Department does not officially confess, it said owners of apartments that newly built building is in wreck situation. Second reason was that there was fight among official for apartment. Milli Mejlis members and other ministers wanted to get apartment from building considered for PA employees. Later there were officials among those who received apartment from that building, who do not need apartment. But construction trust could not get its 5 apartments. Then long writings started between trust and PA AD. The first wanted its right sometimes by request sometimes by demand but the second accused it in realization of bad job. It is said in answer addressed to trust leadership by O.Shahbazov, first deputy of Affairs Head that because of low-level realization of construction-establishment works, deformations happened in building and house is in wreck circumstance. It is said in letter that experts of State Construction Committee and State Project Institute came to this decision as a result of their survey that main reason of deformation is low-level realization of construction-establishment works by contractor company and for removal of these mistakes 1,2 billion AzM is required.

It is stated from PA that 15 apartments with 1000 sq.m. could be built with that funds but as a result of bad works of trust that funds is spent for consolidation of building which is put into operation. That is why promised 5 apartments cannot be given to trust and they are already divided. Even if Affairs Department threatened trust in official documents that it will make proceeding against trust for damage made, it did not do this.

It is interesting that according to act dated July 29, 1996 of State Reception Commission that received building into exploitation, building was built according to norms and rules of construction. Three persons of those who confirmed this information with their signatures are employees of A.Muradverdiyev – deputy of affairs head A.Salayev, head of fundamental construction sector of affairs department M.Mammadov and expert in that sector V.Ibrahimov. Act is signed by Chief of Housing Department 65 of Nesimi district and expert of City Architectural-Construction Control Inspection. A.Azimli says that “if construction-establishment works were not qualitative as they claim and were not complied with construction norms and rules, first of all persons controlling quality, norms and rules during course of construction had to be punished. It was noted in act of reception that while rules of reception of construction establishments to exploitation, commission members, persons who gave establishment to exploitation with rule violations have to be involved in responsibility. That is why those deficiencies had to be removed by not damaging the state budget with 1,2 billion AzM but due to accounts of guilty persons and enterprises. 500-million AzM debt of Affairs Department to trust was not spent for those goals. This amount is not repaid to us so far. Plus they do not give our 5 apartments. In reality small cosmetic repair works done there was implemented only with small part of funds they say. Attachment of light supports to building could not demand such amount. Construction experts know it well. Also if building was in wreck situation, it is impossible to hold 9-stored house with light support”.

A.Azimli says that deficiencies excused by PA are deepened a bit more because after building was put into operation it was not cared for 3 years. He says that despite it was not considered in project, then areas of apartments were changed, balconies were enlarged, instead of 7 stores 9 were built, specially building materials bought by customer were not qualitative and that is why building is in wreck circumstance. “Residents added many constructions in house. Building is overloaded than it is considered and that is why its façade is violated inside. Current situation of house is dangerous”. Signed contracts do not show number of stores and apartments of house. Perhaps additional construction works had been considered in advance.

Writings are numerous. But A.Muradverdiyev received constructors only once in 6 years. Every time when it is turn of constructors either affairs head stops reception or receives complainers behind them. Now they want to meet with A.Muradverdiyev for the last time if it would be possible. They agree with allocation of houses in any point of city. “Hundreds of multi-stored houses are built in Baku. Every time Presidential Apparatus, Baku city Executive Power possess certain percent of them. Why do not they meet our demand?” A.Azimli said it. Chair of trade union of trust answered to our question “Why do not you apply to court?” that they want to solve issue peacefully. Because they have promised for many times in unofficial manner that they will be given apartments. But they wait for 6 years. They even gave money to mediators. And they wanted their money back when they saw that it did not work.

Mr. Muradverdiyev denied what press reps wrote about wreck situation of building. But writings with employees of trust are against to this. Many questions occur in this case: if low-level work had been done, if house was in wreck situation, why guilty is unpunished and building is received by state commission? Affairs head declares to journalists that construction does not have deficiency. In this case under which name Mr. Muradverdiyev spent moneys he took from budget?

## **CAPITAL**

### **MODERN HOUSE “TURN”S**

Sevinj TELMANGIZI

#### **It is regulated by Hajibala Abutalibov by his own desire**

Despite articles written in opposition press, multi-stored buildings continue to be erected in Baku.

At the same time number of homeless people is lifted. Today apartment provision of Azerbaijani family with average income is global problem. House turns, care shown to employees of local departments, organization in Soviet time that we did not like, changed to stories. Where are house turns now? And to expect something in this field from local executive powers or Baku direction would be naivety. But it turns out that one of main duties of mentioned organs is to help residents who have this problem. Now we will know how.

According to information we have from Baku city Executive Power, solution of problem of capital homeless residents is reflected in “Apartment code” adopted in 1982. This code is not applied for nearly 20 years. It is shown in official documents of city hall that since 1995 BCEP did not build even one multi-stored building due to its funds. Private companies deal now with construction works and provide Baku city hall with necessary apartments from ready buildings. But who get these apartments. Usually these houses are given not to those who are in turn for houses from Soviet time, but to categories defined by Mayor. They say that there are famous intellectuals, figures of culture and science, state officials among those underwent “generosity” of H.Abutalibov.

It is interesting that Azerbaijani press cannot learn list of these popular persons and even names of journalists included in this list.

Another official document says that living area of Baku is 26,1 mln. Sq.m. According to Main Plan of capital till 2007, this area has to be lifted to 40 mln. Sq.m. And it means that till 2007, 2 million and 260,000 peoples will be provided with houses. But it is doubtful that there will be homeless people among those millions.

We learned from housing department of State Construction and Architecture Committee that construction and distribution of houses due to state funds are under authority of local executive bodies. They are also responsible for houses built by private construction companies. Certain apartments in buildings built by private construction companies are given to local executive powers. And EP signs executive order on giving of these apartments to legal and natural persons.

This fact was confirmed by private construction companies. Depending on number of stores of multi-stored buildings, they give 10-30% of apartments to city hall. First reps of city direction hold view to ready buildings, value apartments and their structure and according to this, make decision. Naturally this decision is not reflected in official documents. And it is hidden to whom and when it is given.

It turns out that authorities give shares to homeless people from its budget. Respective amount is allotted from state budget for solution of housing problems. But the fact is that 130 023,4 mln. AzM is allotted from state budget of 2004 for housing issues. In comparison with 2003, this index is 125 879,7 Mln. AzM. It is interesting that year is about to end and 1 AzM of this sum is

not spent for improvement of situation of homeless citizens or those who do not have home circumstance.

In the meanwhile construction companies “close their eyes” and “distribute” apartment to population. More exactly, they deceive population with their buildings not meeting any norms and standards under name of hypothec credit. It is known that small percent of these buildings in capital are built according to all norms. It includes mostly buildings built in the earlier 2001 and later 2004. Because Istanbul houses built in 2001 and after, as well houses like them are less. Since the mid of this year, attentive attitude of respective agencies to construction sector, inspections resulted in more responsible approach of companies to this sphere.

What about credit, experts say that it is doubtful that our construction companies use just now hypothec credit which was applied in the world years ago. Indeed it is not doubtful. The matter is that these machination dealers want to get rid of these low-quality buildings that are empty. But this practice is unlikely to be successful in our country. Because banks and population are not ready for hypothec credit. For example it is not convincing that any bank will give credit for 20-30 years. Because Azerbaijani economy is based on FAMILY interests, fight of groups. Any revolution can be their end. Living level of population does afford purchase of these houses. How can the one whose monthly income is not higher than 300,000 AzM, can talk of this credit?

So, house turn of homeless peoples will last forever. Despite millions allotted from budget, 30%-share of construction companies, there is not even one step towards solution of this problem. Only one is developing – Hajibala Abutalibov!

## **SCANDAL**

### **TURKISH BUSINESSMAN BECAME VICTIM OF CORRUPTION IN AZERBAIJAN**

**M.MUSLUMGIZI**

As scale of corruption is widened in Azerbaijan scale of obstacle arisen from this problem for normal activity of local and foreign businessmen widens. One of victims of this dangerous problem is Turkish businessman Ismayil Ozguven. I.Ozguven lives in Azerbaijan since 1991. Over the passed period he founded firm “Bulud LTD” and made big investment in a few fields of Azerbaijani economy. Turkish businessman, who came to Azerbaijan with \$600,000 investment, first worked in textile sector of country, opened cheese plant in Shamakhi. But then, working activity of I.Ozguven faced illegality of official and corruption and he was bankrupted...

In 2000, Mr. Ozguven decided to make change in structure of his business in Azerbaijan and brought 5 “Mitsubishi” buses to Azerbaijan from Turkey. And since then his black days started. Before bringing buses to Azerbaijan, Mr. Ozguven took credit in Baku from “Negliyyatbank”. In 2000, this bank had to allocate 1 billion and 400 million AzM credit to head of company (I.Ozguven) according to terms of signed contract but it paid only 208 million AzM. While the credit was given, “Bulud LTD” company left as a deposit in that bank 5 buses and apartment which is located in Basin Street and belonged to I.Ozguven, plus on behalf of firm “Vir” building material amounted in \$256,000.

Bank paid credit sum not directly to I.Ozguven but to firm “Vir”. And firm “Vir” did not give those moneys to I.Ozguven. Mr. Ozguven who could not get money from firm “Vir”, applied to court. Court made decision that money belongs to “Bulud LTD’ company. But Turkish businessman could not get his moneys from firm “Vir”.

Despite court decision made in favor of businessman, bank did not pay attention to that. "Negliyyatbank" embezzled house and building material of Turkish businessman because he "could not repay" the credit he took. And buses left by "Bulud LTD" as deposit in "Azerneqliyyatbank" and that were belonged to firm "Vir" were sold in market. And during purchase-sale one of buses was purchased by cousin of I.Gasimov, employee of I.Ozguven... I.Ozguven did not give up and applied again to courts. Head of "Negliyyatbank" Rahim Aliyev, who used his professional resources and support of his protectors in governmental bodies and bankrupted Turkish businessman, invited I.Ozguven to sign "agreement of reconciliation" with him. And an agreement was signed between them on April 20, 2001. By that agreement, businessman assumed to receive 5 buses back and fundamentally repair them. I.Ozguven spent \$51,480 for repair of buses...

But illegality against businessman was continued again. R.Aliyev possessed buses through Police Department of Binegedi district in base of false documents. In this time Turkish citizen called Orkhan Kojaman occurred and he applied to police station 27 of Yasamal district Police Department. O.Kojaman claimed that bus, bought in market by A.Gasimov, cousin of I.Gasimov, belongs to him and I.Ozguven and his employee I.Gasimov possessed bus illegally. In the first investigation police official defined that complaint was invalid. But another investigator reviewing the complaint admitted illegality and took bus from its legal owner as if it was embezzled. Plus, criminal case was opened against I.Ozguven and I.Gasimov according to article 179.3.2 (illegal embezzlement of property of another) of Criminal Code. I.Gasimov was detained in police station for 2 days and he was made give false testimony under pressure against "Bulud LTD" company. But then I.Gasimov denied the testimony he gave.

According to I.Ozguven, polices released I.Gasimov after taking \$3,000 bribe from him. I.Gasimov, after being released, complained to Yasamal district Court from actions of top officials of police station 27. It is shown in court decision dated August 8, 2003 that employees of police station 27 of Yasamal district Police Department violated rights of citizens to ownership of their property without any ground. Action of employees of police station 27 regarding possession of bus is illegal and property has to be given to its legal owner...

There is a nuance here. Judge of Yasamal district Court F.Agamirzayev prohibited with his decision made on July 23, 2003 employees of police station 27 of Yasamal district Police Department realization of investigation on this issue. But decision which has to be fulfilled immediately, was not observed neither by Police Department nor Police Station 27! Court decision is not provided till today...

Forgeries were continued in investigations made in Yasamal district Prosecutor's Office and according to complaint of Turkish citizen O.Kojaman, criminal case is opened against I.Ozguven and I.Gasimov (I.Ozguven claims that law enforcement bodies of Azerbaijan received totally \$30,000 bribe from him). Prosecutor's office sent the case to court. I.Ozguven was conditionally deprived of freedom for 7 years by the verdict of court led by judge of Sedreddin Hajiyev, judge of Court on Heavy Crimes. Besides, court sentenced I.Gasimov to 3 years conditional imprisonment and made decision that bus had to be given to O.Kojaman. Representative of Turkish Embassy to Azerbaijan took part in court processes. Despite representative announced for many times collegium of judges that rights of I.Ozguven were brutally violated by governmental bodies of Azerbaijan, collegium of judges was indifferent to its opinion.

According to Turkish businessman, totally his \$1,500,000 was embezzled in Azerbaijan...

I.Ozguven, seeing such a situation, applied to Turkish Embassy in Azerbaijan and governmental bodies of his country. His family living in Istanbul applied to heads of states of Turkey, demanded to state attitude on actions committed in Baku against head of family.

Certain investigations were made in Turkey on I.Ozguven after these appeals. Then documents to defend rights of I.Ozguven were sent from Turkey to Baku. As a result, case of businessman was taken under control of Turkish embassy in Baku and issue was started to be analyzed

seriously. Additional documents were sent to Embassy from Apparatus of Turkish President, General Ministry, Foreign Affairs Ministry and Great National Assembly. Documents sent from Turkey confirm that court decision on giving of bus, belonged to I.Ozguven, to another Turkish citizen O.Kojaman is invalid. Because the second has nothing common with property mentioned...

Then newly appointed Turkish Ambassador to Azerbaijan Turan Morali met with Justice Minister of Azerbaijan Fikret Mammadov on the case. I.Ozguven and his lawyers were present in the meeting. In meeting, businessman gave detailed information on violation of his rights by law enforcement agencies and courts of Azerbaijan since 2000 so far and said that he was fully bankrupted because of existing illegalities of officials in country. When I.Ozguven said that criminal case was opened against him in base of compliant of another Turkish citizen O.Kojaman, and he was sentenced to 7 years conditional imprisonment, even F.Mammadov was surprised...

According to I.Ozguven, a few days ago, Turkish Ambassador to Azerbaijan T.Morali met with President Ilham Aliyev. In the meeting ambassador informed I.Aliyev of existence of serious problems, obstacles in activity of Turkish businessmen in country. I.Ozguven is among them...

Turkish businessman made proceeding against Yasamal District Police Department, district prosecutor's office, deputy prosecutor of Baku city, Prosecutor General Zakir Garalov and judge of CHC S.Hajiyev. He claims that some official act beyond their offices in state agencies mentioned and illegal actions were made against to him. I.Ozguven says that this issue is supported by Prosecutor General Zakir Garalov, head of "Negliyyatbank" R.Aliyev, Transport Ministry and if his complaints are heard fairly, each of called officials will answer...

So, as known scandal is not over between Azerbaijani state and "Shaka Korkmaz" company, another scandal is created that can cause tension between two brotherly countries. Processes show that state officials of Turkey are not going to surrender in this issue. In agreement at the end of "Shaka Korkmaz" fight, Minister of Agriculture Irshad Aliyev "went". And time will show who will go at the end of this fight...

## **REFORM**

### **DECREES REMAINED ON THE PAPER**

#### **RAZI ABASBEYLI**

#### **They cannot serve development of Azerbaijan**

A bit after Ilham Aliyev became President, he signed a Decree on social-economic development. Document considered provision of economic development in all social spheres of country.

But it can be said that there was no need to sign this decree and its use for some time for any goals. Advisors of government dealing with such political trade should understand that to adopt such documents and deal with propaganda for a few weeks do not have long life. According to primitive logics, any adopted economic development program gets its best opportunities of affect after it comes into force. Over the last 10 years up to 180 documents on economic development were adopted in Azerbaijan on president management institute. Development programs covering concrete fields of different ministries and committees, are countless.

Man wanting to implement reforms could realize documents adopted before him and have successes. But still no work has been done regarding adoption of these programs and will not be done. For grounding our claim it is enough to pay attention to management form of Ilham and

Heydar Aliyev in order to know which one is harder. Officials who were afraid of father Aliyev much, used to put any program in archive as a pile of paper. Then how they can implement decree signed by son Aliyev of whom they do not afraid?!

As well substance of this regime does not admit it.

We can show a fact we can see in our daily life as an example to those complaining why decree is not applied. For example, according to decree signed by I. Aliyev, within a week, state officials, specially local executive power heads should lift relations with citizens, assist to meeting of local owners with heads of executive structures. And this time procedure rules considered in laws have to be observed. By valid legislation, heads of executive structures have to meet with citizens at least twice a week. This time is at least once a week for ministers.

But let us see how this decree signed by new president is implemented. For instance, Education Minister Misir Merdanov receives citizens on Mondays. But last week and this week reception was postponed because of uncertain reasons. Such cases happen for a few times in ministries and they are repeated mostly in Ministries of Health, Taxes and Customs Committee.

By the way, laws consider another moment in ties of officials with citizens. According to administrative laws, if it is not possible to provide meeting of person with citizens from physical point, then, according to internal charter of structure headed by person, citizens should be received by second and if its impossible then third person according to division of authorities. And received complainers or advisors have to be answered in written form not later than a month and in oral form during 10 days. But as newspaper, we know from our practice that stationery services of majority ministries in country do not observe any of these requirements of law. If today any question of press agency addressed to any governmental body is not answered, then it is not easy to believe that any written appeal of citizen is answered.

As a result of our survey we see that even in developed and developing states in the world special attention is paid to this moment. First government takes measures for strengthening its social trust by its citizens. We call it self-respect. Pay attention, over the last 5 years only 6 in Russia, in Germany 3, in Estonia 8 presidential decrees were signed on economic development. And implementation of these decrees is over.

But in Azerbaijan 80 social-economic development programs were adopted in last 3 years. 14 of them are directly signed by president. Others were presented to Ministers Cabinet. But only 3-4 of them are started to be realized so far. And these programs did not have any positive result in social-economic position. Many of these programs are funded by international financial structures.

But funds of social programs implemented due to credit or unpaid allocations are embezzled by officials. Let us note distribution of credits allotted for development of ownership in provinces, for unknown reasons. Because of several bureaucratic obstacles, village owners cannot take credit because they cannot find property to leave as deposit in capital. Even if these funds are allotted by non-bank structures of America acting in Azerbaijan.

Today there is not social-economic development in Azerbaijan. Only except monopolist ownership subjects. Naturally such kind of development cannot serve general economic development of country. Of course, such a progress cannot affect positively to state budget.

Number of arguments, proving that adoption of last economic development program is unimportant, can be lifted. But there is only one unchanged fact – it is change of power. Otherwise results of changing written stories of this power to oral form lays foundation for future tragedies.

## **TRANSPORT**

### **ZIYA MAMMADOV-HAJIBALA ABUTALIBOV FIGHT CONTINUES**

R.ABASBEYLI

#### **Families of drivers living in poverty suffer from fight ongoing for big moneys**

All knows that there are many problems in city transport. Conflict between Transport Minister Ziya Mammadov and Baku mayor Hajibala Abutalibov causes serious problems in transport of city for people. In due time all drivers working in city route were demanded to buy medical bag. It was said that these bags were brought to city by unknown company.

As Mr. Abutalibov had both financial and moral benefit in this issue, all drivers were made buy medical bags. According to statistics, there are more than 10,000 drivers. In this case it is not so difficult to count that big sum of funds was embezzled.

Value of these medical bags sold every driver for 45,000 AzM is 25,000 AzM. So, Abutalibov earned at least 20,000 AzM from every bag. Let us count: total value of medical bag each of which was sold for 45,000 AzM for 10,000 drivers is 450 mln. AzM. About \$90,000. Half of this – real income coming from 45,000 AzM is 20,000 AzM. And it makes 200 mln. AzM sold to 10,000 drivers. So, Hajibala Abutalibov does not care about drivers. He is just engaged in sale of bags and medicines inside them, which belong to company that is supposed to be belonged to his relative.

Then sole regime forms started to be applied for drivers working in city transport.

Then uniforms started to be applied for drivers working in city transport. These old and low-quality dresses sold for 25,000 AzM, were costing lower than 10,000 AzM which remained in Sederek fair. But these dresses, applied again on demand of Transport Department which is under monopoly of Hajibala Abutalibov, belonged to firms of relatives of mayor. He earned 250 mln. AzM by sale of these dresses to 10,000 drivers. Also licenses were distributed to drivers and their assistants (conductors). Each of this cost 5,000 AzM. 85 mln. AzM was collected by selling these licenses to 10,000 drivers and 7,000 assistants. Our surveys prove that maximum value of these licenses is 2,500 AzM. So, mayor embezzled at least 42 mln. AzM from license game.

Total sum of these illegalities happened during last 6 months of current year is 200 mln. AzM for medical bags, 150 mln. AzM for dresses, 42 mln. AzM for licenses. Totally, mayor could embezzle up to 400 mln. AzM from "city housing". And in average account, it makes \$100,000 by which 10,000 peoples could live for 4 months in normal way. Transport Ministry was created in Azerbaijan. Of course, Ziya Mammadov is worried because authorities of TM were given to Transport Department recently. After its foundation, Transport Ministry started to connect itself a number of structures. But process failed. Despite this ministry was confirmed by president in last year. But Baku mayor

does what he wants. Abutalibov does not agree with giving authorities of Transport Department to TM. The man even managed to possess authorities of ministry in some spheres and transport incomes of municipalities. Last year Hajibala achieved repeal of decisions adopted before him and left authorities of collection of money from bust stops of city to city hall. Sides that did not agreed with this got furious. Even in November of last year department, deprived of making money from city transport, started to implement reforms on technical examination of transport devices. But those reforms failed. Now several structures are differed with their illegal actions in city housing. Businessmen wanting to deal with ownership in transport sector need to apply to Justice Ministry first and then get special sheet of permission from Transport Ministry and then get license from Transport Department within Baku city Executive Power. Surveys we conducted show that many of transport companies acting today in city do not have permission from any of the called structures. Some companies act in base of permission of Justice Ministry, some Transport Ministry and some Transport Department. Majority of them do not have all three documents. Owners of companies, divided in 3 groups, are supported by Ziya Mammadov, one by Hajibala Abutalibov and one by Fikret Mammadov. Most dangerous is that poor drivers, wanting to earn small money for bread, their assistants and their families living in poverty suffer from fight of officials fro big moneys.

## **PROVINCE**

DO NOT EXPECT EDUCATED PUPIL FROM YEVLAKH

MAHAMMAD ERSOY

### **Anarchy rules education field of this district**

In the last week, Minister of Labor and Social Defense of Population Ali Nagiyev accused Education Minister Misir Merdanov in driving Azerbaijani people into position of sheep. Misir Merdanov was criticized till that time and even final report of European Council covered illegalities and bribery in Azerbaijani education as claim against our country.

Beside stressing existence of shameful situation in Azerbaijani education, Ali Nagiyev connected increase of drug addiction, prostitution in country to mistakes of education in his speeches made earlier. Political order stands behind these accusations of Ali Nagiye but he says these accusations because of his competition inside the power. But it does not mean that Azerbaijani education has smell of flower and these accusations are not true. Just as it is said by an address which is backed by other interests and that is why there is need to look for impartiality in words said on structure led by Misir Merdanov.

Education system of Azerbaijan is in bad situation and today most expensive process in Azerbaijan is to get education in secondary and higher schools of Azerbaijan. All these arise from bribery environment created by Misir Merdanov. If there is any small negative case in school of remote village of any district of Azerbaijan, Education Minister Misir Merdanov is directly responsible for it. If he denies responsibility then he can resign. If today he is in head of Azerbaijani education he must remove negative cases happening in education system of country. But last events confirm that Education Minister does not want to resign and remove these cases. He just earns his money. If it is not so, he would try to prevent a shameful event happened

recently in Yevlakh district. We will give detailed information on the fact a bit later. But Misir Merdanov denied to express attitude on the issue even if as minister, did not receive complainer whose rights were violated and it shows that Mr. Minister does not want to work.

Zamina Gulustani, who is working in education field for 25 years, underwent unjust attitude. As a result of talk of Mrs. Zamina who applied to our editorial, we knew that educated personnel in our country are eliminated from job and incompetent ones are hired in place of them. Head of education department of Yevlakh district Zarifa Mammadova fired Mrs. Zamina, experienced inspector on personnel, from her job. Root of issue goes a bit earlier. In March of last year, when head of executive power of Yevlakh was changed, structural 'reforms' were implemented in other fields too. And to office of Head of education department of district Z.Mammadova, Russian language teacher of 9-year school of Jirdakhan village, was appointed.

Mrs. Zamina said that she also was run as candidate to office of head because of her skill and experience. But she did not think that this issue will not be forgotten by new head of education department. Because every person can be run as candidate to any position. Mrs. Zamina, saying that since start of her office Z.Mammadova insulted her among employees, behaved beyond ethic rules, interested in reason of aggressive attitude of head: "I said that I am not "hey, girl", because it is not suitable for head of education department. And she answered "I will have you fired from job".

I worked all my life and earned experience in education field. But head of education department did not value my experience and skill. She was trying my nervous by these talks, that is why I came to Baku to be treated. I was treated from July 20 till August 10 but Z.Mammadova did not let me be comfortable here too. She called my and said to hand in key and works, when I said that I am being treated in Baku, she told me to send them by someone. I applied to newly appointed deputy of head of district executive power on humanitarian issues Vidadi Isayev. He told me "write your application and go".

They said that if you will not go on your application, issue will be advanced in pedagogical council. It has to be mentioned that till October 8 of this year Mrs. Zamina was in her office, the same day, head of education department announced in the meeting pronouncement against her. "Reason" was that Z.Gulustani was not in workplace on August 27 and October 6: "But my colleagues, my signature in timesheet confirm that I was in workplace on those dates. But head crossed red line on that day as if I was not in workplace. After meeting I talked to head and said that I had never got pronouncement for my job.

In response to my words, Z.Mammadova said that write application and leave job, it is best way, such things will happen often, if you do not leave with pronouncement, I will call "pedcouncil" and fire you. Yevlakh is small district, every event has impact on relatives of close persons of person. I thought of my family and children.

In one word, head made me write application by use of force. A bit later I told her that I want to come back to my job, but... My respondent, whose health is upset because of attitude she faced, and is treated now, said that most of offices in district are ruled by relatives and familiars of head of executive power: "V.Isayev says that we look for transparent employees for jobs. Before he was head of district archive, then was appointed deputy, as he is relative of executive power's head, and his wife was appointed head of archive. And deputy of head of education department was appointed Sakhavat Beshirov, who was fired from job in 1996 because of dealing with sale of false education certificate. While repair was going in summer in district school 2, V.Isayev, Z.Mammadova and physical training teacher of school Mirismayil Seyidov went to director Sevda Mammadova. Z.Mammadova told to director that you are fired from this day, director will be M.Seyidov. Arzu Gedorva, newly appointed to school 1, did not receive pedagogical education, her specialization is sociology. Besides, Shukur Mehtiyev, dealing with trade in Moscow and Amiraslan Beshirov are appointed to authorized offices in education sphere".

Z.Gulustani touched repair of district schools. It was clear that repair is up to directors, person not doing this due to his own funds, is obliged to leave its job. So, directors cut from summer vocation money of teachers and repair school. As well heads of district's gas, light, forestry

departments, asphalt plant are directed repair by use of force. "Accountant appointed on October 1 to education department said that it saw moneys allotted for repair of school only on the paper. Because it saw these actions it wrote application and left job after working for a month".

So, we informed you on bad situation of provincial education ruled by Misir Merdanov. We know that similar cases happen in all regions of Azerbaijan. But we do not know is it so difficult to remove these? Why instead of stopping accusations made against him, Misir Merdanov tries to defend himself with speech? Why he does not try to prove that these accusations are not true? We have answer. Because there is fact and this fact is against Misir Merdanov and in favor of his rivals in the power. And M.Merdanov himself created circumstance for this fact. Otherwise there would be any measure taken by him. Floor is given to you, Mr. Minister. Are you going to accuse us in impartiality? In any case you possess chance of choice as word. But we would like so much at least Yevlakh district to be released from this terrible situation. At least this district not to lose its possibilities of preparing personnel for Azerbaijan..

## **PRESS FACT**

### **SELECTIONS FROM MEDIA**

"Bribery in calculation of pensions and their deliverance to population made the late head of state Heydar Aliyev give this function of MLSDP to structure, paying funds for pension, - State Social Defense Fund. Result is in front of eye. Already there is not bribery in this sphere. But as giving of child grants is under authority of MLSDP, illegalities exist here".

("The 525<sup>th</sup> paper", December 15, 2004)

"While answering questions on corruption, Head of Global Programs of World Bank Institute Daniel Kaufman discussed level of corruption in Azerbaijan too. Employee of radio applied to Mr. Kaufman with question about why oil country such as Azerbaijan is poor instead of being rich. Employee of World Bank had answered that good management should exist in country wanting to fight corruption: "Superiority of law, democratic system, good base of legislation and effectiveness of government's activity are important criterions of fight with corruption".

(Radio "Voice of America", December 8, 2004)

"MP Gulamhuseyn Alibeyli said that it is important who will form commission on fight with corruption: "If people will not trust this commission, how it will work". G.Alibeyli said that mechanism of form of participation of public organizations, NGOs, press agencies should be reflected in provisions. He said that it is funny that conferences of commission will be held every 3 month: "It turns out that it will be not commission, but scientific research center".

MP accused speaker M.Alesgerov in appointing a member to commission without informing deputies: "You acted beyond your authority and appointed members to commission without informing MPs".

("Azadlig" paper, December 15, 2004)

"74,9% of respondents understand corruption as a form of bribe they face in their daily life. According to more than a half of respondents (53,9%) situation of corruption got worse over the

last 10 years in Azerbaijan. Vast majority of respondents (86,9%) considers that level of corruption in Azerbaijan is high or highest”.

(Report of organization “Transparency International”, December, 2004)

“Ali Bayramli resident A.Humbatov stated that former police chief of district Asif Ibishov took \$5,000 bribe from him”.

(“Baku Kheber” paper, December 4, 2004)

“Head of Baku office of European Reconstruction and Development Bank Raymond Convey said that in the period covering second half of 2003 and first half of 2004, there was not any change in Azerbaijan in corruption, monopoly and unjust concurrence. In transition report of ERDB for 2004, R.Convey showed above-shown problems and low-level of chance of possession of capital as basic reasons negatively affecting business environment in Azerbaijan”.

(“Turan” IA, November 16, 2004)

“It is shown in Law “On fight against corruption” that official person can be given gift – bribe, but on a condition that its value should not exceed 50 times of conditional financial unit (5,500 AzM). It means that law permits to give \$55-gift (bribe). Law (article 8.1) also considers that if value of gift exceeds this level, person, receiving the gift, can get that gift only when it pays higher part of gift to the department it works. Now let us pay attention to possible results this article can cause. Let us take that police wants \$100-“gift” from citizen. It turns out that either citizen, for not violating the law, has to buy for him two gifts each of which costs \$50 or official has to pay \$45 to his chief for using the \$100-gift it received.”

(“Azadlig” paper, December 14, 2004)

“Nerimanov district municipality sold territory amounted in \$300,000, for \$7,000 to father-in-law of Ilham Aliyev Arif Pashayev”.

(“New Musavat” paper, December 16, 2004)

“According to inquiry held by IFES organization in Azerbaijani districts, majority of respondents stated that corruption is ordinary case in country. They said that many of those giving bribe give for medical service, education field, for getting good marks for their children”.

(“New Musavat” paper, December 2, 2004)

