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# RELEASE NEWS

THE PUBLIC AFFAIRS SECTION / EMBASSY OF THE UNITED STATES OF AMERICA

**Assistant Secretary of State Daniel Fried  
At Baku State University**

**October 20, 2005  
Baku, Azerbaijan**

Thank you, Rector, and thank you all for coming today. Forgive me that I have to speak in English, and I beg your indulgence. I'm honored to be here at Baku State University, and with you here today. We are here in a new country with old traditions and a great future. I was pleased to hear of the relationship between this university and Indiana State University. The United States is proud to be a partner with Azerbaijan in building a great future for this country and for this region. And I'm glad to be here with you because you are the generation of freedom. You have been educated in an independent country. It will be your task to build a free Azerbaijan for the 21<sup>st</sup> century.

History is again accelerating in this part of the world. From Ukraine, to Kyrgyzstan, forces of reform are advancing. Forces of corruption and reaction are striving to block them. My country, the United States, stands for reform, and this country, Azerbaijan, is poised to take a great step forward in reform. In 17 days, Azerbaijan has the opportunity to hold the most free and fair elections in the history of this country. Such an election could unleash the creative energy of the people of Azerbaijan, lay the foundation for long-term stability, and elevate Azerbaijan's relations with the United States and the Euroatlantic community to a new level.

Azerbaijan has achieved much since independence. Your leaders, especially Heydar Aliyev, created a state; established an independent, sovereign foreign policy; and laid the basis for wealth through a sound climate for foreign investment in the energy sector. Azerbaijan has made a state, which is no small achievement. But what sort? How will the coming wealth be used? For the benefit of the people of Azerbaijan, it is to be hoped. If so, the state must be a state of law, open and transparent, accountable to society, where corruption is the diminishing exception.

In other words, Azerbaijan must become a full democracy. Democracy is not an abstraction, neither is it a word for chaos. Democracy is a system in which the state serves society and does not rule over it for the benefit of an elite.

I'm not here to urge you to do things the American way. Every country has its own path to freedom. But as President Bush and Secretary Rice have said, there are universal principles underlying all democracies.

These include the freedom to say what you believe, to practice religion freely, to protest lawfully, and to choose leaders of your choice. Some say that democracy weakens stability, but I believe that stability requires democracy because stability - a stable government - rests on the consent of the governed to free and fair elections. Democracy strengthens national sovereignty because democratic governments have support from within their societies and thus need no outside patrons. Democratic governments are confident governments.

I believe that free and fair parliamentary elections are within Azerbaijan's grasp, and achieving this goal is the responsibility of all the citizens of Azerbaijan. In his May 11 decree, President Aliyev pledged to create the conditions necessary for a free and fair election and articulated a series of rights and responsibilities for the citizens of Azerbaijan and their political leaders looking ahead to the elections in just 17 days.

Since that decree, more than 2,000 candidates have registered to compete for the 125 seats in the legislature. Many of them have taken the opportunity to get out their message through free airtime on Azerbaijan's new public television station. I've seen their posters all over Baku this morning. The Central Election Commission has undertaken work to improve election procedures. The government has agreed to allow a U.S.-funded exit poll - a routine practice in many countries, including the United States - to help evaluate the credibility of the elections.

Much work lies ahead. The government has an obligation to sustain and broaden these gains in the 17 days remaining before the election. The weeks and months before an election are as important as the election itself in determining whether it is free and fair. Recent events have caused much discussion in Baku, and caused us in the United States concern. We are listening carefully to the concerns of candidates and citizen activists all over Azerbaijan regarding inaccurate voting lists, breakdown in printing and distribution of voter ID cards, and insufficient efforts to combat election fraud. We hear disturbing reports of the use of administrative resources by local officials to support favored candidates. We are disappointed in steps backward concerning the freedom of assembly in the past month. We are disturbed by some of the actions the government took this week. Mass detentions - including detention of some candidates -- restriction of media access, and the overwhelming deployment of security forces raise questions about the government's commitment to a free and fair campaign. I arrived yesterday to learn that Government security forces had locked down the Ministry of Economic Development, the offices of the Minister, Farhad Aliyev. Whatever the causes and complexities, the Government now has an obligation to demonstrate its commitment to free and fair elections.

The opposition also has an obligation to seek votes through free, open and honest debate. Rights bring responsibilities. Leadership requires a vision for one's country. We hope that all the candidates will take advantage of what opportunities exist to explain to the

voters their vision for Azerbaijan's future.

My country and the international community is doing all we can to support conditions necessary for democratic elections in November. The international community will be present in significant numbers on November 6, observing polling stations to deter fraud and report fraud should it occur.

Cynicism or hopelessness must not deter the citizens of Azerbaijan from going to the polls on November 6. The citizens of Azerbaijan should show their confidence in their country's democratic future by voting.

I'd also like to say some words about corruption. All post-Communist countries must deal with this problem. Corruption is a tax on the people. It is a tax on the poor, which breeds a sense of injustice which in turn causes instability. Farmers, shopkeepers, school teachers, ordinary citizens must know that local officials will not place unjust obstacles in their way of buying a house, or winning a contract or starting a business. People must see that government works for the good of the people. We hope that following this election, Azerbaijan will have a freely-elected parliament with the mandate and commitment to work with President Aliyev to fight corruption and increase accountability of government officials to the voters. Debureaucratization - just cutting the need for government permits - is a powerful tool against corruption.

We hope that this November's election will clear the way for deepening the already strong partnership between our two countries. Our partnership is based on shared interests - security interests, energy and economic interests, and shared interests in internal reform.

On our security cooperation, the United States is deeply, deeply grateful for Azerbaijan's contributions to fighting terrorism. We are grateful for Azerbaijan's troop contributions in Iraq, Kosovo and Afghanistan. Cooperation on Caspian maritime security, de-mining, and border security are all essential pieces of regional security and our cooperation.

We see a strong and free Azerbaijan, at peace with itself and its neighbors, as a cornerstone of regional stability. We are working to help Azerbaijan and Armenia in the tragic conflict over Nagorno-Karabakh. We seek a peaceful, negotiated solution of this problem. There is no military solution. We may have a realistic opportunity to achieve a settlement. We urge the leaders of both countries to summon the political will and the vision to make the compromises that a just and lasting settlement will require.

Our energy relationship is also excellent. The 1994 "Contract of the Century" was a great step in global energy development, and I'm proud of the partnership that American companies have established with Azerbaijan. The Baku-Tblisi-Ceyhan pipeline is a great achievement, and I congratulate President Aliyev and his team for making it a reality. Next year's opening of the South Caucasus Gas Pipeline will further underscore Azerbaijan's role in regional and global energy markets.

Growth is coming; money is going to come in. But how shall it be used? Energy resources that are well developed are a blessing; badly managed, they are a curse. We know this. In the past 40 years, most resource-rich countries, believe it or not, grow at a slower than average rate because of economic distortions and corruption. The key to avoid this Resource Curse is the rule of law. Energy producers ranked the highest by Transparency International's anticorruption scale have by far the highest growth rates; those ranked lowest, those with the most corruption, have the worst growth rates. Azerbaijan, through its Oil and Gas Fund, has taken an important step towards sound development.

For our part, the United States, with the World Bank and the European Bank for Reconstruction and Development, is supporting Azerbaijan's efforts to devote resources from oil and gas to improve the lives of every citizen of Azerbaijan. Oil wealth should be used to support health care, improvements in education, and better roads throughout the country. Using the blessing of energy resources requires democratic reform. That is because freedom - political freedom, and economic freedom, and just governance, must advance together.

President Bush said in his second inaugural address, that America's role in the democratic process is to "help others find their own voice, to attain their own freedom, and to make their own way." The United States is doing all it can to help the voters of Azerbaijan have a chance to build a democracy that reflects Azerbaijan's culture.

Azerbaijan's government, its political parties, whether Yeni Azerbaycan or the opposition, the parliamentary candidates, and civil society all have responsibility to provide you, the voter, and you, the next generation, a chance to find your own voice and make your own way by voting on November 6.

Thank you, and I believe there is time for questions, to which I look forward.