

ISSN 1654-9201

CENTRAL EURASIA

2008

Analytical
ANNUAL



CA&CC Press®
SWEDEN

Contents

<i>Rasim Hasanov</i>	ECONOMY	83
<i>Elmir Guliev</i>	RELIGION	92
<i>Jannatkhan Eyvazov</i>	INTERNATIONAL AFFAIRS	100

REPUBLIC OF BELARUS

<i>Sergey Nikoliuk</i>	GENERAL OVERVIEW	108
<i>Sergey Nikoliuk</i>	POLITICS	111
<i>Alexander Sosnov</i>	ECONOMY	118
<i>Vladimir Matskevich</i>	RELIGION	125
<i>Viacheslav Pozdniak</i>	INTERNATIONAL AFFAIRS	130

GEORGIA

<i>Teymuraz Beridze</i>	GENERAL OVERVIEW	141
<i>Gia Jorjoliani</i>	POLITICS	144
<i>Nodar Khaduri</i>	ECONOMY	151
<i>Zaza Piralishvili</i>	RELIGION	158
<i>Thornike Gordadze</i>	INTERNATIONAL AFFAIRS	164

REPUBLIC OF KAZAKHSTAN

<i>Timur Shaymergenov</i>	GENERAL OVERVIEW	173
<i>Sergey Konovalov</i>	POLITICS	176
<i>Sergey Reviakin</i>	ECONOMY	182
<i>Marian Abisheva</i>	RELIGION	203
<i>Timur Shaymergenov</i>	INTERNATIONAL AFFAIRS	208

RELIGION

Elmir GULIEV

*Ph.D. (Philos.),
director of the Geoculture Department,
Institute of Strategic Studies of the Caucasus
(Baku, Azerbaijan)*

I n t r o d u c t i o n

In 2008, the republic's religious community attracted much more attention from politicians and the public than before. The press, round tables, TV talk shows, and Internet forums were busy discussing representative international conferences and forums, consecration ceremonies of new and restored mosques and churches, resounding trials of extremists, and, finally, the

unprecedented terrorist act in a mosque. At the same time, relations between the state and the religious communities remained practically the same; the public did not change much of its attitude toward religion. Despite scattered information about infringements on freedom of religion, the various religious communities were satisfied with the status quo.

The State and Religion: Drawing Closer to be Able to Move Apart

In recent years, the government tightened its grip on the processes occurring in the religious sphere; measures were taken to limit or even cut short radical religious activities. In 2008, bans were combined with active educational measures: officials attended seminars and conferences and appeared on TV screens to discuss social-religious subjects. The level of religious knowledge in the country is still rather low but the efforts have not been wasted: it has been noticed that fewer young men are showing an interest in non-traditional, especially destructive, religious cults.

The State Committee for Work with Religious Associations (hereinafter the State Committee) did a lot to maintain stability in the religious sphere. By closely cooperating with the heads of religious centers and communities, the State Committee worked consistently to ensure freedom of conscience and preserve confessional harmony in the republic. Throughout 2008 the Commissions for Religious Affairs set up a year earlier at the executive power structures of the republic's cities and regions remained highly active, helped to resolve religion-related problems, and served as a link between the believers and executive power.

The State Committee concentrated on coordinating the state structures designed to control the religious situation, preventing administrative problems that might pester religious communities, and helping to resolve those that had already arisen; it never stopped looking for the best possible mechanisms for ensuring freedom of conscience and religion. In 2008, the State Committee met members of the local executive and law-enforcement structures of the Ismaili, Agdash, and other districts. In order to clarify state religious policy, the State Committee also organized four seminars on The Army,

Society, and Religion in military units and colleges, as well as a cycle of training seminars for school-teachers in Baku, Ganja, and Sumgait and in the Agjabadi, Imishli, and other districts. The State Committee successfully completed a cycle of training seminars in penitentiary institutions launched in 2007 on the basis of an agreement with the Ministry of Justice.

Throughout the year the State Committee was engaged in upgrading the level of religious knowledge through seminars and meetings with civil servants, members of religious communities, leading theologians, experts in religion, and journalists. On 30 January, the State Committee's central office gathered journalists writing for the press to explain their unique role in preserving religious harmony and preventing outbursts of religious violence. On 4 March, the State Committee organized a seminar dedicated to the coming presidential election called "The Presidential Election-2008: The Faithful Voters," which stressed the need to involve the believers in public and political life on a greater scale and make them aware of their responsibilities. Much attention was paid to the need to remove the discrepancies between democratic and Islamic values and ensure the religious communities' turnout at the presidential election in October 2008.

On 17 March, the heads of the State Committee met the directors and editors of the main Baku publishing houses to explain the threats represented by totalitarian and extremist religious groups and warn them against clandestine publishing of banned literature. Under Art 22 of the Law on Freedom of Conscience, the import of religious literature and its dissemination in the republic are controlled by the State Committee.¹ In some cases expert conclusions take a long time but the heads of the religious communities are prepared to accept this.² In 2008, the State Committee experts, after checking 1,507 titles of religious publications, banned 59 of them that preached religious intolerance. According to official figures, in the last two years there were fewer cases of importing and disseminating extremist and destructive writings.

On the whole, the government is increasingly concerned about the non-traditional religions operating in the republic that have already caused social splits and everyday conflicts. Islam is becoming more politicized, which is regarded as an alternative to the weakened and discredited opposition. What causes concern is the rising amount of religious-related violence and crimes, the activity of foreign missionaries who act through the local neophytes, and the great interest in the local religious situation on the part of foreign embassies and international structures.

To lighten external pressure on the domestic religious situation and strengthen the state's secular nature, the authorities are trying to control the process of theological education for Azeri young men abroad and find them jobs when they come back. During his visits to Turkey on 2-7 June and Iran on 6-12 August, State Committee Chairman H. Orujev met Azeri students studying theology in these countries. He familiarized them with the religious situation in Azerbaijan and the main political trends in the religious sphere. It was also agreed that Turkish imams would leave Azerbaijan as soon as their contracts expired (they work under an agreement between the Ministry for Religious Affairs of the Turkish Republic and the government of Azerbaijan). According to information supplied by the State Committee, Turkish imams have already vacated their posts in four mosques in favor of their Azeri colleagues.

In 2008, several mosques and churches were either renovated or restored to offer believers better conditions for exercising their constitutional right. A mosque in the village of Rustov, the Guba District, was restored on the instructions of the Ministry of Culture and Tourism; the Juma mosque dated to the 18th-19th centuries is being restored in Nakhchivan; and construction is going on in two large Baku mosques (Teze-Pir and Ajdarbey).

¹ For the text of the law, see [http://dqqk.gov.az/rus/zakon_svoboda_r.html].

² Recent positive changes in the procedure have been noticed by international organizations (see, for example: International Religious Freedom Report 2008, available at [<http://2001-2009.state.gov/g/drl/rls/irf/2008/108435.htm>]).

On 5 February, the Lutheran church in the city of Khanlar (built in 1854 on donations from the local Germans) was reopened after many years of neglect and restoration partly supported by the German Society of Technical Cooperation. On 7 March, the Catholic Church of the Immaculate Conception of the Blessed Virgin Mary was opened in the presence of President Ilham Aliiev, State Secretary of the Vatican Cardinal Tarcisio Bertone, and heads of the republic's religious communities. During his visit to Azerbaijan, Pope John Paul II blessed the future church to be built on the plot that then President of Azerbaijan Heydar Aliiev had transferred to the Catholic community free of charge. Early in 2008, the church received the bells President of Poland Lech Kaczyński presented to the Catholic community during his official visit to Azerbaijan in March 2007.

The decision of the Yasamal District court of 3 December to remove a mosque in the process of construction comes as a surprise against the above background. According to Rector of the State Economic University of Azerbaijan Sh. Hajiev, the mosque was being built on grounds that belonged to the university.³ Construction work was suspended while the future of the project remains vague.

On the whole, according to the latest data, there are 1,750 mosques in Azerbaijan (804 of them are functioning). There are five synagogues, five churches of the Russian Orthodox Church, one church of the Georgian Orthodox Church; one church of the Evangelical-Lutheran Church; one of the Roman Catholic Church; and there are 26 prayer houses used by the Molokan, Protestant, Krishnaite, and Bahai communities. There are over 500 places of worship associated with folk beliefs scattered across the republic. By 1 January, 2009 the State Committee had registered 529 religious communities (102 of them were registered in 2008—101 were Muslim communities and one a Jewish Kubar community in the city of Sumgait).

Religious Extremism— A “Virus” in the Minds of Young People

On 17 August, the Juma Mosque, also known as the Abu Bakr Mosque, in the Narimanov District of Baku was the scene of a terrorist act that killed 2 and left 18 others with wounds of varying gravity; G. Suleymanov, imam of the mosque and leader of the local Muslim community, who was the main target, was among the wounded. It was suspected that the act was organized by a radical religious group headed by I. Mollachiev, known as Abdelmajid, from the Zakataly District, who named himself the Amir of the Daghestani people. According to the press service of the Ministry of National Security, he and his brother-in-law, S. Mekhdiev, planned to revive the Forest Brothers armed group, the members of which, together with their leader, citizen of Saudi Arabia Naif Abdelkarim al-Badavi also known as Abu Jafar, were arrested in November 2007 and sentenced to different prison terms in June 2008.⁴

The Forest Brothers, former members of the orthodox Salafi community which congregates around the Abu Bakr Mosque, are known to follow the extreme forms of Khajirism.⁵ G. Suleymanov, who

³ See: Day.az Agency, 3 December, 2008, available at [<http://www.day.az/news/society/139049.html>].

⁴ See press releases of the AR Ministry of National Security of 2 September, available at [http://www.mns.gov.az/news/02.09.2008.12.54_ru.html] and 8 September, 2008, available at [http://www.mns.gov.az/news/08.09.2008.12.32_ru.html].

⁵ The religious-political school in Islam that unites several different trends; the Kharijites accuse all Muslims who refuse to share their views of apostasy. They call for the use of force to remove a regime that does not abide by the Shari'a. Across the post-Soviet expanse they are known as Wahhabis, even though some experts in Islam believe this to be wrong

heads the Salafi movement, is known for his loyalty to the government.⁶ During the past few years, he has been engaged in active propaganda against the radical groups that called for an “armed jihad against the infidels.”⁷ Despite his efforts the Khajirite ideas are mostly popular among his former followers, the supporters of “puritanical” Islam who have despaired of achieving the aims of the Shari‘a through peaceful preaching.⁸

It was in the latter half of the 1990s that moderate Muslims in Azerbaijan first exhibited a trend toward radicalism.⁹ In the last two years, however, extremist activities have been attracting more attention from the public and law enforcers. Some international observers tend to explain this by overwhelming control of peaceful religious activities and limited personal religious freedoms;¹⁰ in particular, in some mosques in the capital and regions no public address systems can be used to read azan.¹¹ From time to time the independent and opposition press report cases of police arbitration in Baku and Sumgait, as well as in the country’s north and northwest. The public is very much disturbed by the news that Muslim women in headscarves are fired at or that their rights are infringed upon in any other manner, even though the conflicts are normally resolved in favor of the believers.¹²

In February 2008, N. Melnikova, a primary school teacher at school No. 20 in Baku, was fired “for gross breaches of labor discipline.” The Russian teacher, an active member of the Baku Muslim community, insisted that she had been fired for mercantile considerations while her religious convictions and the headscarf were used as a pretext. Late in April, the teacher, actively supported by human rights activists, lost her case in the Yasamal district court, which ruled that the school administration had acted strictly within the laws. It should be said that school administrations are not always guided by disagreements over their subordinates’ religious ideas, however the response of the religious community is always highly emotional; such cases are invariably mentioned by human rights organizations in their reports.

Not all of the faithful were prepared to follow the rules imposed by the authorities to protect the mosques. On the eve of the Holy Month of Ramadan, twelve days after the blast in the Abu Bakr Mosque, mass prayers outside mosques were banned.¹³ This decision is still applied and creates lots of trouble for the faithful who have to travel outside Baku for Friday services. The decision of the Police Administration of the Narimanov District to suspend prayers in the Abu Bakr Mosque because of the threat of another terrorist act was not hailed either.¹⁴ On 27 October, the Narimanov district court satisfied the claim of the local religious community, but after the defendant lodged a complaint the case was revised. On 23 December, the claim of the religious community was declined on the grounds of an incomplete investigation. On 9 January, 2009, the religious community appealed against this decision.

(see: A. Yarlykapov, “Narodny islam i islamskaia molodezh: formy bytovania islama na Tsentralnom i Severo-Zapadnom Kavkaze,” available at [<http://www.islamica.ru/?pageID=219>].

⁶ See, for example: *Bizim yol* newspaper, 3 November, 2007, available at [<http://www.bizimyol.az/index.php?mod=news&act=view&nid=5263>].

⁷ A. Rashidoglu, “Jihad protiv vlasti?!” *Zerkalo*, 28 October, 2008.

⁸ I investigated in detail why religious extremism finds new supporters in my article “Islamic Extremism in the Caucasus: Real Threat and How to Avert It,” *The Caucasus & Globalization*, No. 1 (1), 2006, available at [http://www.ca-c.org/c-g/2006/journal_rus/c-g-1/15.ekuliev.shtml].

⁹ See: A. Yunusov, *Islam in Azerbaidzhan*, Zaman Publishers, Baku, 2004, p. 262).

¹⁰ See: *International Crisis Group Report “Azerbaijan: Independent Islam and the State,”* 25 March, 2008, available at [<http://www.crisisgroup.org/home/index.cfm?id=5351&l=1>].

¹¹ See: Olaylar Information Agency, 17 September, 2008, available at [<http://olaylar.az/index.php?newsid=1221654956>].

¹² For example, in September teachers at schools Nos. 162 and 167 in Baku were kept away from school (see: Day.az Agency, 15 September, available at [<http://www.day.az/news/society/130528.html>]).

¹³ See: ANS Press Agency of 1 September, 2008, available at [<http://anspress.com/nid86339.html>].

¹⁴ [<http://www.day.az/news/society/135424.html>].

The Abu Bakr tragedy revealed acute contradictions inside the Muslim community of Azerbaijan and demonstrated that the tactics the authorities employed against religious extremism cannot be called completely effective. There is any number of experts who believe that no positive results can be obtained until the state establishes a multi-stage system of religious enlightenment, with the clergy and intelligentsia playing the key role in it.¹⁵ On the other hand, the resolute and unanimous condemnation of the Abu Bakr terrorist act by political and public figures suggests that religious extremism has few supporters and that it is regarded as hostile to Islam.

Official Islam: Conformism in Action

The Caucasus Muslims' Board (CMB) is the supreme structure for the traditional Muslim clergy of Azerbaijan. Spiritual leader of the republic's Muslims Sheikh-ul-Islam Allahshukur A. Pashazadeh is an influential person with numerous supporters, especially in the south of the country. Under Art 12 of the Law on Freedom of Conscience, official registration is limited only to the Islamic communities with written CMB recommendations. The CMB is also responsible for setting up Islamic religious institutions; it supervises the Baku Islamic University and its four regional branches (in Zakataly, Lenkoran, Sumgait, and Mingeçaur). The theological department of Baku State University is a secular structure headed by prominent Oriental scholar, chairman of CMB Scientific-Religious Council Academician V. Mammadaliyev.

The mullahs, most of whom have no theological education to speak of, limit their services to rituals; they keep away from educational activities, which invites criticism of the revivalist clergy and the intelligentsia. This forced the CMB to step up its ideological involvement by hiring young people for this purpose educated in Iran, Turkey, Egypt, and other Muslim countries. According to the International Crisis Group, the new and well-educated generation of clergymen, particularly in the Sunni regions, is doing a lot to attract the youth.¹⁶ The Muslim clergy took another step toward the public by opening an electronic *Kelam* journal [www.kelaminfo.az] established and edited by M. Seidzade, who heads the CMB Science and Education Department.

Throughout the year the head of the Muslim community of the Caucasus remained very active: he met journalists and offered his comments on religious events inside and outside the country. In his interviews, Sheikh-ul-Islam Allahshukur A. Pashazadeh never shuns difficult questions about the higher prices for the hajj to Mecca and the money received from foreign sponsors.¹⁷ In July, he proposed the establishment of Islamic Charity Fund to accumulate money to pay for the restoration of mosques and other cultic objects, pay wages, and finance all sorts of charitable projects.¹⁸ This idea has been put forward time and again by Muslim intellectuals concerned with high ritual tariffs. Nothing has been done so far.

Under public pressure, the CMB had to speak out against wasteful burial ceremonies¹⁹; according to media reports some regions received unofficial instructions related to burial and wedding cere-

¹⁵ See, for example, interview of human rights activist I. Ibragimoglu to the News Azerbaijan Agency on 9 September, 2008, available at [http://www.newsazerbaijan.ru/exclusive/20080909/42476974.html].

¹⁶ See: *International Crisis Group Report "Azerbaijan: Independent Islam and the State."*

¹⁷ See: Day.az Agency, 17 November, 2008, available at [http://www.day.az/news/society/137013.html].

¹⁸ Trend Information Agency, 1 July, 2008, available at [http://news-ru.trend.az/society/religion/1235982.html].

¹⁹ Deputy CBM Chairman S. Musaev, in particular, talked about this in his interview to the ANS TV Channel on 21 October, 2008, available at [http://anspress.com/index.php?nid=92696].

monies. The tradition of funeral repasts on Thursdays was abolished in the Udjar District while in the Nakhchyvan Autonomous Republic burial-related ceremonies were cut down to two and a half days with refreshments limited to tea and sugar. In late March, the polemics about the legality of similar limitations in a democratic society reached the press and electronic media.²⁰ The religious public and the human rights community cannot agree on the issue; some of the Majlis deputies are behind the idea of the Law on Ceremonies.²¹

Very much as before the CMB paid a lot of attention to the traditions of religious tolerance and an inter-religious dialog. In January, Sheikh-ul-Islam Allahshukur A. Pashazadeh spoke once more against identifying praying Muslims with fundamentalists and their religion with terrorism.²² This was his response to those political scientists who warned about the danger of Islamic fundamentalism in Azerbaijan.²³ In August, he defended Islam when commenting on the Abu Bakr terrorist act.²⁴

On 1 May, the CMB leaders condemned the “all-Armenia” pilgrimage “Forward, Armenia, to God” from Etchmiadzin to Shusha. This was seen as violating an agreement to promote settlement of the Nagorno-Karabakh conflict and refrain from provoking religious confrontation achieved at the Moscow World Summit of the Religious Leaders of 2006.

In July, the head of the Caucasian Muslims visited the United States to attend the conference on *Loving God and Neighbor in Word and Deed: Implications for Christians and Muslims* organized by Yale University (the U.S.) and the Royal Aal al-Bayt Institute for Islamic Thought (Jordan); he also met leaders of the local religious communities with whom he shared his experience of preserving religious harmony.

In December, Sheikh-ul-Islam Allahshukur A. Pashazadeh objected against the provisions related to artificial insemination and surrogate motherhood in the draft Law on Protection of Reproductive Health and Family Planning and called on the State Committee Chairman H. Orujev to inform the parliament about it.²⁵ It should be said that in view of the state’s secular nature the Muslim clergy, on the whole, prefer to keep their ideas about the laws to themselves.

In 2008, the CMB chairman remained active on the international arena. Late in February, he visited Turkey where he presented Prime Minister Erdoğan with the Sheikh-ul-Islam Order for his contribution to brotherhood and friendly relations between Turkey and Azerbaijan.

In April, he headed a religious delegation that came to Moscow to meet President Medvedev, Patriarch of Moscow and All Russia Alexiy II, and U.N. Secretary-General Ban Ki-Moon to discuss the possibility of an Interreligious Consultative Council at the U.N. to tap the religions’ peacekeeping potential in conflict settlement. This idea was raised once more during a July visit to the United States when Sheikh-ul-Islam Allahshukur A. Pashazadeh met Secretary-General Special Adviser Ibrahim Gambari.

On the whole, in 2008 the CMB accomplished a lot and did much to strengthen positive trends in the country’s religious life. On many occasions, the public agreed with the CMB, whose position was close to the ideas of the country’s majority and complemented the official position on several domestic and foreign issues.

²⁰ See: *Bizim yol*, 28 March, 2008.

²¹ See: *Azərbaycan*, 6 March, 2008.

²² See: Trend Information Agency, 10 January, 2008, available at [<http://news.trend.az/index.shtml?show=news&newsid=1108772&lang=AZ>].

²³ His comments were suggested by information about an article by Prof. Maraks in the December issue of the Dutch journal *Armex* which discusses the geopolitical reality and the threat of Islamic fundamentalism in Azerbaijan (see: *Azərbaycan*, 26 December, 2007).

²⁴ See: Day.az Agency, 18 August, 2008, available at [<http://www.day.az/news/society/127877.html>].

²⁵ See: ARA Agency, 23 December, 2008, available at [<http://ru.apa.az/news.php?id=122693>].

Society and Religion: Maintaining Traditional Tolerance

Azerbaijan is a country of religious tolerance, which is regarded as one of the fundamental cultural traditions praised by foreign political and religious figures. This accounts for the fact that civil society organizations concentrated on the need to preserve the atmosphere of religious tolerance, oppose totalitarian and extremist ideologies, and bring the values of Islam and democracy closer together. It is not surprising that in February-May the BBC Azeri Service, together with the Inam Center for Pluralism with financial support of the U.K. Embassy in Azerbaijan, created a cycle of radio programs on Religion and Democracy.

On 5-8 November, the Ministry of Youth and Sport of Azerbaijan, in cooperation with the Council of Europe's Directorate of Youth and Sport and ISESCO, organized a highly representative conference called Beyond Religious Differences: Islamophobia and Other Forms of Discrimination based on Religion or Belief: Consequences for Young People and Youth Work Responses.

On 10 November the Consultative Council at the State Committee chairman organized a seminar attended by heads of the religious communities of Azerbaijan. The event was timed to 16 November, the International Day of Tolerance.

The Heydar Aliiev Fund headed by First Lady, Deputy of the Milli Mejlis and Goodwill Ambassador of UNESCO and ISESCO Mekhriban Alieva is doing a lot to strengthen national spiritual values and develop the religious dialog. On 26 September, the Fund signed an agreement on cooperation with the country's Catholic community designed to enhance contacts in the sphere of education, culture, and health protection and preserve the traditions of religious tolerance. This is not the first project of this kind. Earlier the Fund actively contributed to the restoration of an Orthodox church in Baku and construction of a Jewish children's educational center.²⁶

These efforts did not pass unnoticed; they were highly assessed by Dr. Adel Abdullah Al Falah, Under-Secretary of the Ministry of Awqaf and Islamic Affairs of Kuwait and Chairman of the Asia Muslim Committee, author of the book *Heydar Aliiev and National-Spiritual Values*, translated from the Arabic into Azeri, Russian, and English and presented on 29 April at the Gulistan Palace in Baku.

An international conference on Coexistence of Numerous Religions in Azerbaijan: Religious Tolerance and Social Development held in Berlin on 3 June was more confirmation of the great interest in the West in Azerbaijan's experience of preserving religious tolerance. The State Committee Chairman H. Orujev delivered the main report called The Legal Foundations of Activities and the Present State of Religious Communities in Azerbaijan: The Role of Religion at the National and Regional Levels.

An exhibition of paintings on Biblical themes by A. Heybatov, Merited Artist of Azerbaijan and member of the International Federation of Artists (UNESCO), opened in the Apostolic Palace of the Vatican on 22 May. It can be safely described as an important event related to the high level of religious and cultural dialog in Azerbaijan. Another important event took place three days later, on 25 May, when Director of the Azerbaijan National Academy of Sciences Human Rights Institute R. Mustafaev was awarded a diploma of the Gelati Academy of Sciences functioning under the aegis of the Georgian Orthodox Church to become the first foreign member of this spiritual academy, one of the oldest in the Caucasus.

²⁶ See: Trend Information Agency, 26 September, 2008, available at [<http://news.trend.az/index.shtml?show=news&newsid=1305306&lang=RU>].

Islamic Finances: First Steps in the Central Caucasus

Despite the growing interest of the Azeri business community in Islamic investment and insurance, Islamic banks have not carved out an important niche for themselves in the country. In fact, the Kövsərbank so far remains the first and only financial institution that takes the Shari'a rules into account. Back in 2002, it acquired a license on all sorts of banking operations but for legal reasons it cannot engage in the full range of Shari'a financial services.

Islamic banking cannot develop in the absence of an adequate legal basis, although the international Islamic financial institutions are interested in the Azeri market for their large-scale Shari'a financial projects. In 2007, the Islamic Development Bank and the Azeri Investment Company set up a joint Caspian International Investment Company to attract foreign investments to Azerbaijan. In 2008, the Islamic Corporation for the Development of the Private Sector entered agreements on credit lines for several commercial banks, including the Rabitəbank, Turanbank, and Azərdəmiryolbank. The Unileasing leasing company [www.unileasing.az] also started its first project based on Islamic principles.

For several years now the Azeri financial community has been discussing the future of Islamic financial institutions in the republic. On 27-28 February, an international seminar organized by the Marketing Society of Azerbaijan and the Islamic Development Bank gathered to discuss Islamic Finances and their Potential in Azerbaijan. The future of Islamic financial institutions in Azerbaijan was also discussed at a summer school called Islam in Contemporary International Relations held in Baku and the Guba District on 11-20 July. The seminars organized by the Diplomatic Academy of Azerbaijan were attended by participants from 15 countries of Europe, Africa, the Middle East, and the United States.²⁷ One of them, R. Bekkin from Russia, believed that the future of Islamic banking in Azerbaijan depended not so much on political decisions and legislation as on wide access to information about the advantages of Shari'a-based financial products and services.²⁸

C o n c l u s i o n

The last year can be described as far from simple for the country's religious community. The traditional religions had to defend their positions in stiff rivalry with the non-traditional and revivalist ideologies that were winning the hearts of and enjoyed popularity among young people. Despite the high level of religious tolerance, radical sentiments heated from abroad and by the socioeconomic problems at home remained a highly destabilizing factor. Today, society on the whole does not regard Islam as an alternative to the secular state while the social basis of political Islam is very narrow. It is difficult to say how the world economic crisis might affect the religious situation since its pressure did not become more or less noticeable in Azerbaijan until early in 2009.

²⁷ [http://ada.edu.az/news/20081205030130318.html].

²⁸ See: R. Bekkin, "Azerbaijan: Emerging Market," *New Horizon: Global Perspective on Islamic Banking & Insurance*, No. 169, October-December 2008, p. 29.