

# RURAL TRANSITION IN AZERBAIJAN

Zvi Lerman and David Sedik



LEXINGTON BOOKS

A division of

ROWMAN & LITTLEFIELD PUBLISHERS, INC.

*Lanham • Boulder • New York • Toronto • Plymouth, UK*

# Contents

---

Introduction	1
1 Azerbaijan: The Country and the People	7
Geography	7
History	10
Population Growth and Land Scarcity	14
The Economic Regions of Azerbaijan	18
2 Policy and Agricultural Development in Azerbaijan: A 40-Year Perspective	25
Patterns of Agricultural Growth in Azerbaijan	26
Changes in Factor Use	30
Agricultural Productivity	40
Investment in Agriculture	44
From Agriculture to Oil: The “Petrofication” of the Azeri Economy	49
From a Soviet Colony to Independence: What Azerbaijan Has Become in the 21st Century	59
3 The Design and Implementation of Land Reform	63
The Need for Reform: The Soviet Agricultural System Comes Apart 1985–95	65
Azerbaijan’s Legal Framework for Reform: From Hesitation to Decisiveness	70
Agrarian Reform Policies Leading to Recovery	75

	Implementation of Land Reform: Sweeping Distribution to Rural Population	82
4	Outcomes of Reform: Transition to Individual Farming and Sector Recovery	87
	Changing Farm Structure: From Collective to Individual Agriculture	88
	Growth of the Individual Sector: Land and Livestock	90
	Individualization and Recovery	95
	Individualization and Productivity	99
5	Outcomes of Reform: Rural Incomes and Poverty	103
	Land Reform and Rural Incomes	105
	Land Reform and Rural Poverty Reduction	115
	Factors Tending to Increase Rural Poverty in Azerbaijan	120
	Rural Poverty in Azerbaijan Today: A Mixed Picture	125
6	Conclusion: Looking Beyond Agrarian Reform in Azerbaijan	131
	The Impact of Land Reform: Individualization of Farming	132
	Overall Agricultural Policy Environment	140
	Overall Governance and Institutions	143
	Statistical Annex	151
	References	177
	Index	183
	About the Authors	187