

Internal Migration in Azerbaijan: Causes, Consequences and Main Trends

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As far as the development of socio-economic policy mechanisms is concerned, statistical data reflecting the real state of internal migration are of great importance. Unfortunately, reliable and complete information on internal migration in Azerbaijan remains undisclosed to the public. But independent calculations [suggest](#) that the level of internal migration is quite high.

A population census is essential to ascertain the real level of internal migration. The last census in Azerbaijan was conducted in 2019. Although the State Statistics Committee (SSC) initially [announced](#) that the census results would be made available to the population in the first quarter of 2022, this date was later [changed](#) to the end of 2022. But it has not yet publicly released any census documents. In response to my request for census results, the committee said the census results could only be obtained from its library. They consist of 26 volumes of books, each containing hundreds of pages, and the lack of an electronic version makes it difficult for independent scholars to base research on these figures. In addition, during the October 2019 census, a large number of citizens [indicated](#) that they had not been made aware of the census.

Despite these shortcomings, the information available to various state bodies on the population's registered place of residency is sufficient to calculate the actual state of internal migration. Therefore, based on the official census results, in this article I will examine the country's most-neglected districts and cities subjected to migration outflow,

examine the causes of internal migration, challenges caused by this process and ways to address them. The figures used in the article are based on printed publications in addition to the results of the population census available in the SSC library.

Destination districts and cities for the largest number of internal immigrants

Absheron is the district with the largest number of internal immigrants. The estimated resident population of this district in 2019 amounted to 214.000 people, yet 476.000 people lived there. [11] That is, the number of people who moved to Absheron is higher than those permanently residing in the district.

Table 1: Registered and resident population of cities, settlements and villages located in Absheron District

Administrative-territorial unit	Registered members of the population*	Resident population according to the census
<u>Khyrdalan city</u>	101.400	206.347
<u>Masazyr village</u>	12.198	80.960
Saray settlement	20.600	41.020
<u>Mehdiabad settlement</u>	12.900	31.161
Gobu settlement	10.600	18.111
<u>Hokmali settlement</u>	10.000	18.005
<u>Jeyranbatan settlement</u>	8.300	10.590
<u>Digah settlement</u>	5.100	9.879
<u>Ashaghy Guzdak settlement</u>	4.400	9.025
<u>Guzdak settlement</u>	3.000	3.611

***The official figures of the population according to 2020 data**

As can be seen from the table, the number of people living in Khyrdalan is more than twice the number of its resident population. The population in the village of Masazyr located

in Absheron district exceeds that of the Khizi, Dashkasan, Goygol, Siyazan, Shabran, Yardymly, Gakh, Oghuz and Hajigabul districts.

And what about the situation in the two main cities of the Absheron Peninsula? There are also significant differences between the number of permanent residents and registered population in Sumgayit. The number of permanent residents is 491.000, while there are 345.000 registered people. Thus, the additional permanent population in the city numbers 146.000, which is 42% higher than the official figures. In 2019, some 2.617.000 people lived in Baku. At that time, the resident population of the city amounted to 2.277.000. Thus, according to data from the SSC, the number of residents living in the capital exceeded that of the resident population by only 340.000 people or 15%. However, both alternative calculations by independent researchers, as well as a study by the Social Research Center (CRS), established under a presidential order, [show that](#) more than 3 million people live in Baku, with more than 500.000 people who enter and exit the capital on a daily basis. In this regard, even according to the results of the census, the reliability of which is doubtful, about 3,6 million people of the country, i.e., about 35% of the population, live in the Absheron Peninsula.

Among the districts and cities located outside the Absheron Peninsula, the number of permanent residents exceeds the officially registered population in the districts of Barda (by 25.000 people), Agdjabadi (by 13.000), Beylagan (by 8.000) and in the city of Mingachevir (by 14.000). This is mainly due to the compact settlement of Internally Displaced People (IDPs) in these districts. In this regard, the permanent population in the mentioned areas is more than the resident population not because of socio-economic advantages.

It is also possible to identify the districts which people have mostly abandoned. The district most subjected to migration outflow (excluding districts under occupation) is

Gakh. In 2019, the permanent population of Gakh amounted to 51.500 people, which means 5.681 people or 10 percent fewer than the resident population. Along with Gakh, the most-abandoned districts in terms of registered population also includes the districts of Ismayilli (8.200 people) and Jalilabad (17.700 people).

Why do people migrate to the Absheron Peninsula?

People migrate to the Absheron Peninsula mainly because of the lack of job opportunities and low income in the provinces. As of the end of the first quarter of 2023, hired workers [numbered](#) 1.736.000 in all of Azerbaijan, 905.000 of whom (52%) are in Baku, 57.000 (3,3%) in Sumgayit and 41.000 (2,4%) in the Absheron District. In other words, the Absheron Peninsula accounts for 58 percent of those working under labor contracts, with 42 percent falling to the share of other districts and cities.

There are sharp differences between the Absheron Peninsula and other regions in terms of both existing and newly-created jobs. In 2022, the Absheron Peninsula accounted for approximately 83% of newly-created jobs. In that same year, no new jobs were generated in the Julfa, Shahbuz and Sharur districts, and only one new job was created in the Ordubad, Khizi, Jalilabad and Lerik districts each.

Income levels in the regions are also lower than in Baku. The average wage recorded in Baku is almost double that in the regions outside Absheron because the private sector in Baku undertakes more activities. With 58% of total hired workers, the Absheron Peninsula also accounts for 66% of hired workers in the private sector. The high-income level in the private sector compared to the public sector creates a higher average monthly income level in Baku.

Table 2: Average monthly wages by economic region as of the end of 1Q2023

Economic Regions	Average wages (AZN)
Baku City	1152
<u>Absheron-Khızı</u>	757
<u>Shirvan-Salyan</u>	677
Ganja-Dashkasan	661
<u>Nkhchivan AR</u>	645
<u>Gazakh-Tovuz</u>	629
<u>Guba-Khachmaz</u>	628
East <u>Zangazur</u>	628
Mountainous Shirvan	597
<u>Lankaran-Astara</u>	584
<u>Kharabakh</u>	579
Lowland Aran	573
Mil- <u>Mughan</u>	570
Sheki- <u>Zagatala</u>	559

Complications caused by internal migration

Economic disparity between the regions leads to both social inequalities and the emergence of problems in many other areas.

The flow of people to the Absheron Peninsula for social and economic reasons creates problems not only for internal migrants, but also for everyone living there. For example, unplanned settlement strains the public transport system and roads, which reduces the quality of life for everyone living in Baku and surrounding areas. In addition, as a result of the increase in demand for real estate, housing rental and sale prices are rising, which forces many people to build houses without documents. There are about half a million unregistered houses in the country, most of which are [located](#) in Baku and its suburbs. Residents of unregistered houses face difficulties in terms of property rights and public services. Meanwhile, there [are](#) stark differences between Baku and other

regions when it comes to the provision of public utilities, education and health services. For instance, in many schools in Khyrdalan, the number of students exceeds the capacity of the school several times; hence, the quality of education is decreased.

Another factor aggravating the problem of internal migration in Azerbaijan is that there is only one direction of migration, because the mentioned socio-economic diversities exist not only between villages and Baku, but also in relation to all districts and cities outside Absheron. The difference between the output of the capital Baku and that of Ganja, the largest city outside the Absheron Peninsula is more than fifty times. From this viewpoint, the lack of real regional centers in the country paves the way for the absolute majority of those forced to migrate internally to go to Absheron. Nevertheless, if the level of economic development was relatively higher in at least a few cities and districts, this factor would cause a certain portion of internal migrants to move to these areas. However, in this case, neither the district center nor the areas that can be considered regional centers are attractive for citizens living in the provinces and experiencing economic problems since most of them do not differ much from villages in terms of socio-economic development.

How to eliminate problems caused by internal migration?

The main reason for the backwardness of regions in terms of socio-economic development is connected with the primitive structure of Azerbaijan's economy. Factors such as the limited development of areas outside the energy sector in the country, the lack of a favorable competitive environment, the highest customs tariffs in the Caucasus Region, limited access to financial resources have a negative impact on economic development thus resulting in a concentration of economic activity only in the capital and surrounding areas.

Addressing the chronic problems associated with the country's economy, along with many other problems, is also very important in terms of eliminating regional disparities. Reports by many international organizations point to the limited development of human capital in the country as one of the main problems hindering sustainable development in Azerbaijan. In this regard, it is very important for the government to improve its performance in education, health and other social spheres, to increase the efficiency of investments and to reduce regional disparities, among many other problems.

Alongside with problems related to the overall economy of the country, there are also specific challenges in terms of regional development. The primary one among them is the local self-government system in Azerbaijan. Although almost 25 years have passed since the establishment of municipalities in Azerbaijan, people still cannot feel the presence of this institution in their daily lives. The main reason for this is their limited powers and financial resources. The main advantage of municipalities in terms of influencing local development is explained by their flexibility. Currently, the president signs orders for the construction of roads even in the most remote villages of Azerbaijan. Therefore, sometimes it takes years to solve road and other municipal problems in many regions. However, with functioning municipal institutions, communities themselves can decide where to spend funds. Thus, there would be no need to wait years for problems to be solved.

The fact that municipalities are more productive is also explained by their formation on the basis of elections. Because in countries with a democratic electoral institution, people elected to a municipality realize that if they fail to serve well, they have no chance of being elected next time. The current challenges associated with the electoral institution in Azerbaijan prevent the transformation of municipalities into functional institutions. Taking all these

factors into account, increasing the powers and financial resources of municipalities in the country, ensuring their transparent and accountable activities can create great opportunities both in terms of improving the quality of services provided to residents in the regions and in respect of eliminating regional disparities.

Despite sharp differences in terms of regional development, the policy of promoting investment in the regions is insufficient. Since 2023, the government has been applying 10-year concessions to economic activities in the liberated territories. Residents of the liberated territories are exempt from profit (income), property, land and simplified taxes for 10 years from 1 January 2023. In addition, employees there can be eligible for social security benefits and workers involved in rebuilding these areas are to get additional funds. As other parts of the country are also facing serious problems with regard to economic development, the government needs to increase the coverage and range of these benefits, in particular, concessional lending. The creation of preferential opportunities in the regions is crucial for reducing the sharp gap in Baku and other areas in terms of employment.

Other countries employ a different approach between regions not only in terms of business activity, but also in terms of social payments. For example, pensions in Georgia vary not only by age, but also by whether the pensioner lives in a mountainous area or not. From this point of view, the application of additional coefficients in social payments assigned to people living in unfavorable geographical and economic areas in Azerbaijan can contribute both to increasing the welfare of people living in those areas and to preventing excess internal migration.

One of the factors that may contribute to a widening of regional socio-economic differences is the lack of a favorable environment for non-governmental organizations (NGOs) in the country. In particular, the move to tighten the NGO

legislation in 2014 has caused many to cease local initiatives and foreign foundations to leave the country. However, it is not each of those activities that was aimed at promoting democracy and human rights. An increase in resources for communities outside Baku was also a major focus of civil society till 2014. The activities of NGOs were tailored to address and seek solutions for community problems through both research and monitoring as well as to make direct investment. In this regard, improving the capacity of both local and foreign civil society actors in the country can play a significant role in increasing resources for communities outside the capital.

Notes:

[\[1\]](#) At the reporting meeting on 2019 results, the chief executive of the Absheron district [pointed out](#) that 510,000 people live in the district according to the results of the 2019 census. The fact that the result declared by the chief executive as 510,000 has been reduced to 476,000 in the printed census results raises additional questions.