

War Veterans' Dissatisfaction: The Consequences of Discriminatory Approaches to the Insurance of Servicemen and Deputies

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Recently, veterans of the second Karabakh war often [hold protests](#) in front of the Ministry of Labor and Social Protection of the Population, complaining of authorities who do not hear their voice, or register their disability status and the socioeconomic troubles that they are experiencing. On the other hand, online fundraising [campaigns](#) have been organized by people on social media platforms to meet veterans' health care and other needs. These things have become the subject of debate among many Azerbaijanis, putting the effectiveness of the government's social policies regarding veterans under question. But what are the steps that the government has taken to deal with claims on the veterans' insurance system? What are the gaps in state social policy for war veterans? What difficulties do those gaps cause for the families of martyrs and veterans living with war injuries? How has the government dealt with veterans' protests against state social policy?

It should be noted that this article was published by Baku Research Institute on June 20, 2022. But after about two weeks – on July 8, 2022 – it was [announced](#) that the *Law on the Status of Deputies of Milli Majlis of the Azerbaijani Republic* was amended, and the salaries of deputies were increased. For this reason, the author has updated this article to reflect

the new figures for the income of deputies and the amount of insurance they receive based on those new increases.

In the aftermath of the Second Karabakh War, veterans have made the government expand the range of social policies to deal with the many human consequences of the war for soldiers, and, as a result, the number of people who fit the government's new social categories is quite large. From the end of the war to December 31st, 2021, three thousand twenty-one families of martyrs (this includes 86 families of civilian martyrs) [received social payments](#). Additionally, the number of military servicemen with war injuries was about [11.110](#).

As is clear from the [figures](#) released by the State Statistical Committee, at the beginning of 2022, there were 90.897 war veterans in the country; however, their number roughly [doubled](#) by April 1st, 2022, (170.776). A [decree](#) entitling war participants to "veteran" status was signed on December 29, 2021. Thus, the recent increase of veterans of official status by 80 thousand is because of the Second Karabakh War. Again, the Defense Ministry said in a [press release](#) that other than those 80 thousand persons who are entitled to benefits as *war veterans*, another 10 thousand are currently applying for veteran status. Taking all these figures into consideration, it becomes obvious that following the 44-day war, the number of people covered by the government's social protection policies increased by around 100 thousand people, which accounts for 1% of the total population of the country.

As we already mentioned, issues faced by war veterans have frequently come onto the country's political agenda in recent times. In this respect, we believe that recent veterans' protests are due, in part, to inadequate compensation in the insurance system for servicemen. To demonstrate one of the problems in the military insurance system, we can draw attention to the differences between the insurance systems of two professions whose life insurance is compulsorily given in

the country – deputies (members of parliament) and military servicemen. The amount of compensation to be paid in the case of death or injury of a military serviceperson is regulated by the [law](#) *on State Compulsory Personal Insurance of Military Servicemen*. In that law, the insurance payment to be made to the serviceman's family in case of death is clearly stated as 11 thousand manats. In the event of an injury-related health loss, the amount of insurance payment is less. By contrast, in the [law](#) governing deputies' compulsory life insurance, the insurance payment to be given in case of their death (or health loss) is not concretely identified; rather, according to the law, the payment is determined on the basis of the deputy's five-year salary rate.

The essence of insurance is compensation for material damage and losses. In this respect, current legislation concerning compulsory insurance is insufficient to reimburse the financial losses coming from military members' deaths or disabilities. This situation, in turn, incapacitates servicemen and their families to meet their financial needs, for the given compensation by the government is inadequate to the financial damage the death of the servicemember inflicts on the family. This is the root cause of the many veterans' protests of late. As a result of discriminatory insurance policies, the amount of payments in the event of death for deputies, whose financial situation is considerably better compared to that of servicemen, is 14 times higher than the amount of money paid to the latter. Thus, the social insecurity caused by war deaths and injuries, among other reasons, largely originates from the inadequate payments given to servicemen in the insurance system.

The [law](#) *on State Compulsory Personal Insurance of Military Servicemen* states that the amount of insurance payment for a service member who dies while on active duty is 11 thousand manats, as already mentioned. For disabled veterans, according to the law, the amount of payment varies according to the severity of the injury or level of disability; in the case of

injury (physical injury, trauma, or contusion) on active duty or injury-related first-degree disability 80% of the death payment is given (8 800AZN), in the case of second-degree disability 60% (6 600AZN), and in case of third-degree disability 40% (4 400AZN) of this total amount paid. If a veteran has serious injuries, they receive 2 750AZN, but if the injury is not serious, they only receive 550AZN insurance payment.

As mentioned earlier, in Azerbaijan, besides military members, deputies as well benefit from life insurance, constitutionally. The amount of insurance benefit for deputies is not fixed by the [Law On the Status of Deputies of Milli Majlis of the Azerbaijani Republic](#). They are subject to compulsory insurance in the amount of their five years' official pay rate. According to this law, in the case of a deputy's death, 100% of the insurance sum is given to the insured. The percentages of the payment for the first, second, and third disability groups are 80%, 60%, and 40%, respectively. Without a determination of disability, a deputy with a severe injury receives 20% of the insurance sum, but those with minor injuries receive 5% of it.

To be clearer, we can consider the official salary rates of parliamentary representatives. According to the [law](#) about the status of MPs, deputies' salaries are determined based on the salary of the parliament speaker. The speaker used to receive 2 475 AZN salary per month but with the new changes, that has increased to 3 550 AZN, while a deputy of Milli Majlis receives 70% of the speaker's monthly wage – 2 485 AZN. The salaries of the deputy chairmen of the Milli Majlis, heads of parliamentary committees, and commissions are higher than those of deputies who do not hold any administrative positions in parliament.

Considering that deputies are compulsorily insured at the amount of five years' salary, it is clear that even if deputies do not hold any other administrative position

(speaker, chairman, committee head, etc.) in parliament, in the event of their death, the amount of money paid as an insurance payment is at minimum 149 100 manats (five-year salary).

Table 1. Insurance amounts paid to deputies and servicemen in case of death or injury

	Amounts of insurance (manat)	
	Deputies	Servicemen
In the event of death	149 100	11.000
Disability level – I	119 280	8.800
Disability level – II	89 460	6.600
Disability level – III	59 640	4.400
In the event of severe injury	29 820	2.750
In the event of minor injury	7 455	550

It should be noted that although the amount of insurance benefits for deputies is determined based on their salary, their income is not restricted to monthly wages. Based on the law on the status of deputies, members of parliament each month receive an allowance identical to their monthly salary as well. In addition to their monthly salary and allowance, they also receive additional annual allowances amounting to two months of their salary for executing representative powers and are granted vacation leave for which they enjoy another allowance again amounting to two months' salary. For instance, a principal deputy of the Milli Majlis in the Parliamentary Assembly of the Council of Europe (PACE) Erkin Gadirli, in his [statement of income](#) presented to the PACE, shows that his average monthly income amounts to 4 700 manats.

Furthermore, in addition to salary and other financial allowances, when parliament members travel outside the boundaries of Baku they are provided with transportation. Also, those deputies who do not have accommodation in the

cities of Baku and Sumgait, or within the Absheron area are provided with service apartments during their terms. If it is not possible, the expenses of accommodation are covered by the government under the regulations determined by the Milli Majlis of the Azerbaijani Republic. As is legally allowed, they can also have assistants to fulfill some of their duties, and the latter, too, is maintained at the expense of the state budget. After the expiration of his/her term, the former deputy is for one year provided an allowance in the amount of 80% of his/her monthly salary, i.e., 1 385 manats, until he/she finds a new job. After the new changes, this figure will be 1 988 manats.

To sum up, we see that, unlike military personnel, parliamentarians already have a fairly high income. But we know that the insurance events usually have a greater impact on young servicemen and their families compared to other demographics. Nevertheless, current legislation allows the families of deputies, most of whom are elderly with a high level of social security, to receive an insurance payment of more than 100 thousand manats, while the maximum amount of this payment is merely 11 000 manats for servicemen who lost their lives or health at a young age and whose social security is incomparably less than that of deputies.

The difference between the insurance payments of these two groups is more clearly seen in the example of two people who died in 2020. Fattah Heydarov, who was re-elected at the age of 82 in the parliamentary elections on February 9th, 2020, died in August of the same year, only six months after the elections. One can easily estimate that the deputy's family has received at least, 103.980 manats insurance payment. (It should be noted that since the monthly salary of the deputies has been increased, from now on this figure will be 149 000 manats.) Just twenty days before Heydarov's death, major-general of the Azerbaijani Armed Forces Polad Hashimov, who later became the symbol of the Tovuz Battles, was killed.[\[1\]](#) The insurance payment for the death of Polad Hashimov can only

be 11 000 manats. While a major general earns far more than ordinary non-commissioned servicemembers, Hashimov's family did not benefit from his high salary with the insurance payment as Heydarov's did. In other words, Hashimov's family received 9 times less than the insurance amount paid to Heydarov's family.

Following the Second Karabakh War, over one hundred war veterans, in need of social protection, created new challenges for the social policies of the Azerbaijani government. A discriminatory approach against military servicemembers in the calculation of insurance payments for those killed and wounded in the war is the root cause of this social unrest. The logic of insurance payment in the insurance event is, or should be, to recoup the loss or damage. From this point of view, the insurance sum paid to servicemen should at least be calculated based on the former salary of the deceased or injured, as in the case of deputies, not on the basis of a certain fixed amount.

An 11 thousand manat payment to bereaved families and/or 8 800 manats payment to a person with a first-degree disability are not enough to create financial sustainability. In the best-case scenario, this amount will pay off their medical debt. If the amount of insurance received by servicemen and their relatives was calculated based on five years' salary, the payment would be 60 thousand manats instead of 11 thousand for a serviceman earning around 1 000 manats per month, and 48 thousand versus 8 800 manats for a similarly compensated serviceman with first degree service-connected disability. Such a payment could make those people and their families' financial situation more stable than under the current arrangement. As for conscript soldiers who do not operate under an employment contract, unlike sergeants, ensigns, and officers, the insurance amount for them can be measured based on the average five-year salary of the country.

However, it is not only the discriminatory insurance policies

that cause veterans to face social difficulties. The government's recent changes in the ease of disability registration is another issue. Furthermore, the amount of presidential allowance for veterans (80 manats) is less than half of the minimum subsistence level for the able-bodied population. Eighty manats is only 36% of the subsistence minimum, which gives little financial security to veterans, especially those with unemployment and socioeconomic disadvantages.

When all is said and done, we believe that to solve the problems that have arisen so far, as well as avoid future ones, the government first has to deal with the unfair situation in the insurance system of servicemen; secondly, when assessing servicemen's insurance amounts, their earnings should be under consideration (they should not receive a fixed sum of money at least as low as 11 thousand manats), and thirdly, regardless of area of application, compulsory life insurance must be equal and fair.

Notes and references:

[\[1\]](#) To support our claim that Polad Hashimov has become a symbol of the war, we can refer to baby name statistics released by the Ministry of Justice, where it is shown that during 2018-2019 an average of 50 newborns were named Polad, in Azerbaijan, whereas, the number of newborns named Polad was respectively 193 and 306 in the following two years (2020 and 2021).