Communist and Post-Communist Studies

Do citizens of the former Soviet Union trust state institutions and why: The case of Azerbaijan

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A B S T R A C T

This study examines the trust in political institutions in Azerbaijan using the data from the survey Caucasus Barometer (CB) conducted by the Caucasus Research Resource Center (CRRC) in 2012–2013. Two hypotheses – cultural and institutional – were tested. The study partially confirms the previous findings that national culture, as well as individual socialization (macro and micro-cultural theories) are the main determinants of trust in Azerbaijan. Meanwhile, government performance and individual evaluation (macro-and micro institutional theories) did not affect much on the trust level in the country.

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1. Introduction

There is a general understanding that trust in a political system is an important element for democratic reforms and economic development (Howard, 2003; Fukuyama, 1995); social order (Durkheim, 1984), and institutional performance (McKee et al., 2013; Bjørnskov, 2010; Putnam et al., 1993). Trust in state institutions is the key factor underpinning political stability in the country. Trust contributes to economic development and market economy, social integration, political reforms, and democratic stability and even to good health and longevity (Newton, 2001). Increases in trust levels also leads to increases in levels of democratic action (Lukatela, 2007), while declining trust undermines liberal domestic policy ambitions (Chanley et al., 2000; Hetherington, 2005; Hetherington and Globetti, 2002; Rudolph and Evans, 2005). In general, trust is a necessary element for a society to prosper (Misztal, 1996).

Political and social scientists usually distinguish two types of trust – political and social. While social trust covers the attitudes of people towards each other as well as participation in civil and voluntary organizations, political trust measures the attitudes of the public towards political institutions (Zmerli and Newton, 2008). Meanwhile, it is widely accepted that political trust is a very important foundation for good governance. Political trust is defined as the ratio of the people's evaluation of government performance relative to their normative expectations of how government ought to perform (Coleman, 1990; Hetherington, 2005; Miller, 1974; Stokes, 1962). There are two (most widely researched) theories of political trust. The first, politics-centered theory, concentrates on the performance of governments. It is self-evident and plausible that political and economic performance has direct effects on political trust, and good performance can guarantee support by citizens (Newton 2001). The second, society-centered theory focuses on social capital. Social capital theory argues that (generalized) social trust plays a great role in maintaining good (stable and effective) governance. Therefore, socially trusting

citizens tend to be politically trusting as well. Especially, in cases of consolidated democracies, research has produced robust and statistically significant correlations between (generalized) social trust, on the one hand, and confidence in and satisfaction with (political) governance on the other (Zmerli and Newton, 2008). Good governance, in turn, may then enhance the conditions in which both social and political trust flourish, enabling citizens to cooperate effectively in both private and public affairs (Zmerli and Newton, 2008, p. 707). In this way, a virtuous triangle of a) social trust, b) political performance and c) political trust/support may emerge and reinforce each other over time. To summarize the theoretical trust literature, social and political trust dimensions are closely associated and mutually supportive (Sztompka, 2000; Dekker and Uslaner 2001; O'Neill, 2002; Uslaner, 2002; Rothstein and Stolle, 2003; Newton, 2007; Delhey and Newton, 2002; Delhey and Newton, 2005). To sum the argument on its head, it means that social mistrust may dampen political trust in and support of governmental actors and institutions; vice versa poor performance of government can not only lead to a decline in political trust and support, but also have detrimental effects on social trust and cooperative behavior in society.

Since the collapse of communism, low and declining levels of trust, and high and increasing levels of corruption have characterized many countries in the transition region. These negative trends have impeded many countries' transition to well-functioning markets, undermined people's life satisfaction and challenged their views of the positive benefits of the transition to market economies and democracy. The disintegration of the Soviet Union and emergence of new transitional states gave birth to and popularized theories of trust (EBRD, 2011). Political scientists began to see the absence of trust as the main element of weakness in the political system (McKee et al., 2013; Letki, 2004; Howard, 2003). As a result of studies on the former communist states, researchers came up with several explanations on the reasons of high or low trust in government. Mishler and Rose (2001) in their study of East European countries proposed four testable hypotheses, each related to different theories. National culture, individual socialization, government performance and individual evaluations were the main factors determining trust in the government. In their attempt to explain trust in post-communist countries, Mishler and Rose (2001) differentiated cultural and institutional theories of trust. Institutional theories of trust see it as being driven by the characteristics of those institutions as viewed by individuals; cultural theories see trust in institutions as an extension of an individual's trust in general, learned early in life and projected onto institutions. Consistent with previous research, these were divided into macro and micro level theories. Macro-cultural theories emphasize the homogenizing role of national culture in shaping trust while micro-cultural theories consider how each individual's trust has been shaped by his/hers past experiences. Macro-institutional theories base trust on the aggregate ability of institutions to perform, for example by promoting economic growth, whereas micro institutional theories are based on the sum of individual's personal experiences with them.

The present article tries to find the determinants of trust in the political institutions in Azerbaijan —a Muslim country in the South Caucasus that became independent only two decades ago. In Azerbaijan, trust in governmental institutions varies significantly from institution to institution. Trust in the president has always been high in Azerbaijan since the population tends to associate all positive changes or developments in the country with the leader. However, the public associates most negative phenomena, such as injustices and unresolved problems, with other governmental agencies. For example, in 2013 the least trusted political institution was political parties with overall 15 percent of trusting and 39 percent distrusting population. The rest 31 percent is neutral and 15 percent refused to answer. Among the public institutions local governments and court system had the lowest trust level, by having 41 and 39 percent trust accordingly. Interestingly enough, although the executive government does not have high levels of trust (only 56% percent trusting and 22% distrusting, 19% neutral, while the rest 3% refused to answer), the president, as a head of executive branch, has always enjoyed the high levels of trust in the country. According to the survey, 85 percent of the respondents reported that they trust in the President of the Azerbaijan Republic. On the one hand, people highly trust in the president, on the other hand, other branches of the government are distrusted. Among the low trusted institution, we can also find police (48%) and parliament (52%) institutions.

Such an environment creates political apathy and leads to low membership in political parties, associations and other civil society organizations. The absence of trust hinders the consolidation of liberal democracy in the country and the evolution of a truly civil society (Chanley et al., 2000; Hetherington, 2005; Hetherington and Globetti, 2002; Rudolph and Evans, 2005). At the same time, low trust in other institutions increases the cost of transactions in society and leads to corruption (Hakhverdyan and Mayne, 2012). For example, in Azerbaijan, distrust in public education on the level of secondary schools led to the creation of the private tutoring system, which puts an additional burden on parents. It is surprising to see and difficult to explain that despite the fact that majority of parents send their kids to the private tutors, around 67% still trust the education system. While mistrust in the health care system (50 percent trust and 35 percent distrust) forces people to turn to the private sector or pay additional fees to obtain better treatment. At the same time we see that in Azerbaijan support for democracy and a market economy is high, with the middle-aged being the most supportive. However, alienation from the political and economic system is also evident, with four out of ten believing that the type of political/economic system does not matter (EBRD, 2007).

Certain paradoxes seen in Azerbaijan encouraged us to ask the main question of whether trust in public institutions in Azerbaijan is institutionally created or a cultural phenomenon. For the purposes of our study we will come forward with two hypotheses that were previously used in the studies of Mishler and Rose (2001), and McKee et al. (2013) and nominally were divided into institutional and cultural.

2. Hypotheses

The macro-cultural theories of political trust assume that the trust (or a low variation of trust) in political institutions in the country is more generalized rather than specific to institutions (Almond and Sidney, 1963 Fukuyama, 1995; Inglehart, 1997; Putnam, 2000; Putnam et al., 1993).[1] Additionally, micro-cultural theory states that trust in institutions varies within country according to individuals' trust in others as shaped by their places in social structure (Rose et al., 1998).

Hypothesis 1. *Cultural Theories*

> *Trust in political institutions in Azerbaijan vary within the country, depending on variables (such as gender, education, place of living, religion and age) and historically rooted, embedded in interpersonal trust.*

Macro-institutional theory would claim that trust in institutions varies across the institutions, rather than within countries in proportion to the success of government policies and the character of political institutions (Beugelsdijk, 2006).[2] From this perspective, it is worth analyzing the performance and satisfaction of citizens with different institutions. On the other hand, micro-institutional theories would suggest that trust in institutions varies within and across countries in accordance with the level of trust in those institutions.

Hypothesis 2. *Institutional Theories*

> *The level of trust in institutions is based on their institutional performances and individual evaluation of government performance.*

3. Data and methods

This article primarily employs data from the 2013 CB—a nationwide survey that is annually conducted in Armenia, Azerbaijan and Georgia by the CRRC starting from 2004 (Caucasus Barometer, 2013). The survey is considered a reliable source reflecting up-to-date comparative data on household composition, population's opinion and its behavior in economic and public areas. The CB uses a standard methodological approach in all three countries − multistage cluster sampling with preliminary stratification on nine geographically defined units in each country: capital, urban-Northeast, urban-Northwest, urban-Southeast, urban-Southwest, rural-Northeast, rural-Northwest, rural-Southeast and rural-Southwest. The sampling frame was the census in Azerbaijan. The number of primary sampling units (PSUs) in each stratum was proportional to the adult population (18+) of each stratum. While defining the potential number of households to be interviewed, territories affected by military conflict and blockade (Mountainous Karabakh, Nakhichevan) were excluded from the process. Random route sampling was used to select households to be interviewed. Three attempts, on different days and times, to interview were made with regard to each household. If there was no one at home for all three visits, the next household on the route was selected. Fifty households on average were randomly selected in each PSU for an interview. Within the period of 25 days trained representatives of the CRRC conducted face-to-face paper-and-pencil interviews mainly in the Azerbaijani language. In total, 1829 respondents were interviewed. From the total number of interviews conducted in Azerbaijani 70.55% of interviews were completed on the first attempt, 7.16% on the second and 1.49% on the third attempt. The average expected margin of error varies between settlement types [capital, urban non-capital, and rural], but none are greater than 5%. The questionnaires used by the CRRC representatives contained items covering different aspects of the social, economic and political lives of the population, such as income sources, employment level, business opportunities, availability of health services, trust in government and various social institutions, attitude toward the government's policymaking process, lifestyle and characteristics of relations based on religion, nationality, and social status, and others.

To measure trust in certain institutions, the surveyor asked: "I will read out list of social institutions and political unions. Please assess your level of trust inward each of them on a 5-point scale, where '1′ means "Fully distrust," and '5′ means "Fully trust". The institutions assessed were healthcare, banks, education system, the army, courts, NGOs, parliament, executive government, president, police, political parties, media, local government, religious institutions, ombudsman, EU and UN.

To measure interpersonal trust, the CB surveyor asked: "There are many people I can trust completely" following explanation to what extent such statement describe respondents' feelings on a 5-point scale with 1 being absolutely distrust and 5 complete trust. On the same line respondents answered the question: "There are plenty of people I can rely on" following explanation to what extent such a statement describe respondents' feelings on a 5-point scale with 1 being absolutely distrust and 5 complete trust.

The first stage of the analysis was descriptive. The country data for trust in various institutions are presented for the year of 2012 and 2013 (Table 1). The second stage tried to find out determinants of trust in public institutions. In this method we tried to replicate similar studies conducted by McKee et al. (2013) and Mishler and Rose (2001) as closely as possible. This involved, first, utilization of a principal components analysis (PCA) of trust in various institutions to identify factors defined as having

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[1] In other words, trust in institutions are connected with each other and trust in one institutions spills over to another one.
[2] Trust in institutions individualized and depends on performance of the institution.

Table 1
Levels of trust in institutions and people in Azerbaijan (2012—2013).

	2012			2013		
	Trusting (%)	Neutral (%)	Distrusting (%)	Trusting (%)	Neutral (%)	Distrusting (%)
President	85	10	5	85	6	8
Parliament	51	24	25	53	22	24
Executive government	56	25	19	58	20	22
Court system	34	29	36	39	30	32
Army	87	10	4	87	8	5
Police	48	29	23	50	24	27
Religious institutions	59	27	15	64	22	14
Local government	39	23	38	41	25	34
Political parties	19	34	47	17	37	46
Media	51	31	18	44	33	23
NGOs	33	44	23	29	51	19
Most people	45	28	36	27	33	40

Source: Caucasus Research Resource Center. Caucasus Barometer — 2012—2013. Available at http://www.crrccenters.org/caucasusbarometer/.

eigenvalues of greater than one. PCA is a statistical procedure that helps to identify a smaller number of uncorrelated variables called components (factors) from a large set of data. The main purpose of this method is to explain the variation with the fewest number of principal components (factors). In our case, the researchers tried to identify factors that explain the variation of trust in state institutions. PCA identified two factors, the first capturing trust in state institutions (Table 2) and the second one capturing trust in non-state ones. The method would allow us to see whether the trust is generalized across all institutions or not. Afterwards, we give the mean score of trust to different institutions to see whether the trust level has changed during the five years (Table 3). Next we tested micro-cultural theory as to whether variables such as gender, age, education and place of living (settlement type) is significant in explaining the trust level of certain institutions. Here we conducted ANOVA and t-tests, as well as regression analysis for seeing the significance level (Hypothesis 1).

Coming to institutional theories, we tested the variation of political trust in state institutions in 2008 and 2013. Moreover, as the literature suggested, we may expect a certain correlation of political trust with other measures of institutional performance. Finally, we tested to see whether there was any association between fair treatments of people with institutional trust. Here we will use correlation to see such an association (Hypothesis 2).

4. Limitations

Before discussing the findings, it is worth mentioning some limitations of this study. First, we tried to replicate the studies conducted in other countries, nevertheless the questions asked in our study were not the same as in other surveys. Second, we took Azerbaijan, as a case study while many studies would compare several countries across several years. Last but not least is the factor of honest answers. We cannot judge whether the survey conducted by CRRC was able to eliminate the fear factor and social desirability. We took this survey as it is without correcting for the above-mentioned factors that may change the results. Unfortunately, we do not have any other alternative surveys beyond the Caucasus Barometer to check our findings.

Table 2
Rotated component matrix.[a]

	Component	
	1	2
President	0.744	
Executive gov't	0.736	
Healthcare system	0.719	
Educational system	0.716	
Parliament	0.687	0.407
Local gov't	0.675	
Police	0.642	
Army	0.552	
NGOs		0.783
Political parties		0.781
Ombudsman		0.715
Court system	0.402	0.504
Media		0.457
Religious inst's		0.436

[a] Extraction Method: Principal Component Analysis. Two-factor model. Rotation Method: Varimax with Kaiser Normalization.
Source: Caucasus Research Resource Center. Caucasus Barometer — 2012—2013. Available at http://www.crrccenters.org/caucasusbarometer/.

Table 3
Mean score of trust to different institution.

Institution	2008		2013	
	Mean	Standard deviation	Mean	Standard deviation
Healthcare	3.3	1.1	3.1	1.3
Education	3.4	1.1	3.4	1.1
Army	4.0	1.0	4.3	0.8
Legal system	3.2	1.1	2.9	1.2
Parliament	3.2	1.2	3.2	1.2
Executive	3.3	1.2	3.4	1.2
President	4.4	1.0	4.3	1.0
Police	3.3	1.2	3.3	1.1
Religious inst's	3.7	1.2	3.5	1.1

Source: Caucasus Research Resource Center. Caucasus Barometer – 2012–2013. Available at http://www.crrccenters.org/caucasusbarometer/.

5. Analysis

5.1. Trust in individual institutions

Table 1 gives a comprehensive picture on the trust level of the various public institutions in Azerbaijan. In contrast with Mishler and Rose (2001), and McKee et al. (2013), Table 1 shows that most of the public institutions in Azerbaijan enjoy a comparatively high trust level – from a stunning 85–87% trust in the president and the army to 39% trust in local government. As Mishler and Rose found that the military had the highest level of popular trust in 2001, at 46%, despite being the least democratic organization, in the same way the Azerbaijani public has a high trust in the army despite irregularities and mass problems in this institution. What is really interesting about the data is that the trust in the executive government is much lower than trust in the president. Both in 2012 and 2013, the difference in trust level is almost 30%. The same difference can be observed in comparison of trust in president and in parliament. We believe that such high levels of trust in the president are due to the fact that people tend to associate all positive developments in the country with the leader and view the president as the ultimate guarantor against injustices committed by other state agencies.

This reiterates the findings of EBRD (2011) that Azerbaijanis, along with other Central Asian countries, continue to have exceptionally high trust in their president and governments. Moreover, in Azerbaijan, as in many former Soviet Union republics and in the Caucasus in particular, the trust level in presidents and executive governments is one of the important indicators of legitimacy of power. Since Azerbaijan is a presidential republic, a low trust level in the executive branch of power would invite some doubt regarding the stability of the system. Many coups, government overthrows or so-called revolutions have happened because of a low level of confidence population has had in its president. The history of Post-Soviet Azerbaijan has several examples of such situations. In contrast, trust in the executive government and president, is viewed as strictly separate in Azerbaijan.

In order to check the assumption of whether trust was specific in institutions or generalized (within macro-cultural theory), we undertake a principal components analysis. This method allows us to see how trust in one institution is correlated with another. In other words, whether trust for example in educational institution is correlated with trust in health care. We found that a one factor (component) explained 38% of the total variance (none of the loadings or correlation of individual variables was below 0.6, except trust in the army (0.552) and courts (0.402)). That was consistent with our expectations that trust in institutions is more generalized. When we extracted second factor (component), it becomes clear that the first factor captured trust in parliament, the president, executive power, healthcare, education, army, police and local government (we add education and health care despite the fact that there are some private education and health institutions, since they are considered as public institutions), all of which had loadings of greater than 0.6. Second factor, which in its turn was substantially weaker, explained only 12.3% of the variance it showed the highest loading for the NGOs (0.783), political parties (0.781) and ombudsman (0.715). A scree plot on Fig. 1 demonstrates the superiority of the first component over the second one, while the second factor is also important for study.

An examination of the output analysis confirms that the first component explaining the great share of variance (55%), although less than was found in Mishler and Rose (60%) and McKee (85%). As in previous studies, orthogonal extraction of a second component reveals that the first component relates to major state/public institutions such as president, executive government, parliament and ministries, all of which range between 0.55 and 0.74. As in previous studies, the second component includes the media and political parties. In comparison with Mishler and Rose, and McKee, the main difference lies in the low loading for the media, while in previous studies TV, radio and newspapers had a high factor loading. Unfortunately, CB did not ask specifically about trust in trade unions or civil society. In the analysis there were 12 other components but none of them had eigenvalue greater than one. In contrast with Mishler and Rose's study that included labor unions and civil society, we included NGOs as a proxy for civil society. The loading for NGOs turned out to be highest (0.783). This analysis supports the finding by Mishler and Rose, and McKee that, as in other former communist countries, in Azerbaijan trust tends to be generalized across state institutions.
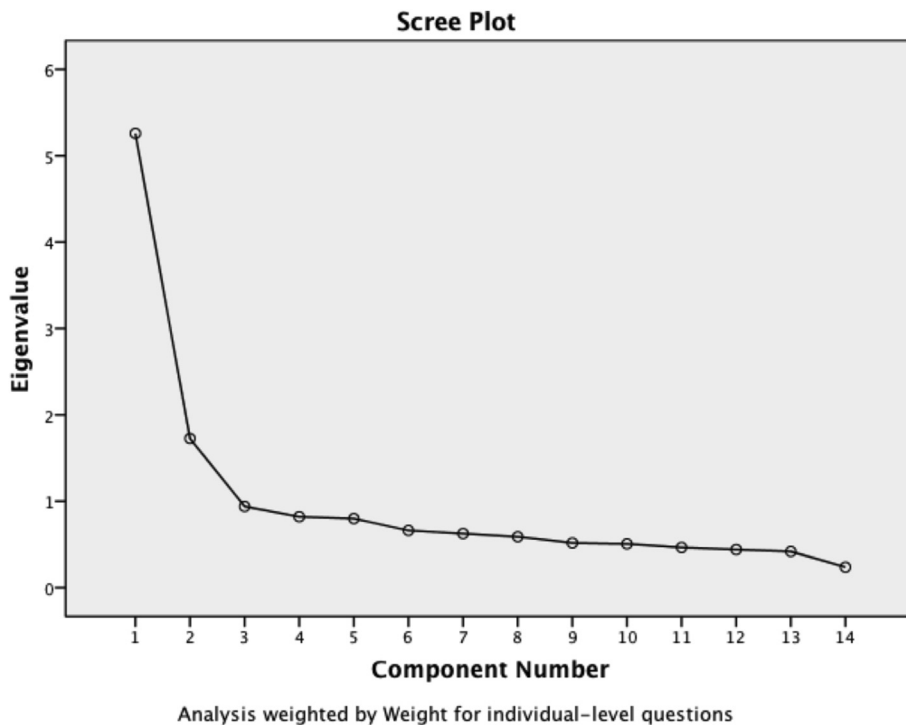
Fig. 1. Source: Caucasus research resource center. Caucasus barometer − 2012−2013. Available at http://www.crrccenters.org/caucasusbarometer/.

Nevertheless, Azerbaijan has some peculiarities. The very low loading for religious authorities is not surprising taken into consideration the secular nature of Azerbaijanis as well as the discredited role of religious institutions, which are usually considered corrupted in Azerbaijan. But what really surprised us in this analysis is the low load for the courts as well as location of this variable in the second component rather than the first. People in Azerbaijan did not consider the courts as part of the factor of State Institutions and placed it into the second factor together with Ombudsman. That is worth investigating in order to understand such a phenomenon when people treat the legislative and executive branches of power as part of the establishment while courts are grouped into civil society. Although we stated that trust tends to be generalized, for some reason it does not affect the courts system, despite the fact that trust in this institution is comparable with other post-communist countries. In a similar study conducted for Armenia by Paturyan (2011), the factor Establishment related to state institutions found a high factor load for most of the public institutions including the courts (in the Armenian case though healthcare and education systems were considered in a separate factor, while both army and religious institutions stood separately).

6. Testing theories

6.1. Cultural vs. institutional theories/hypothesis 1 vs hypothesis 2

Macro-cultural theories of trust would hypothesize that there is little variation within a country as there are homogenizing effects from national history, traditions and culture (McKee et al., 2013). Macro-institutional theories emphasize that rational citizens within a country with similar information will record the performance of institutions similarly to each other. Further on it would imply that the level of trust in a country would correlate with other measures of institutional performance. In contrast to Mishler and Rose who rejected these theories (2001) based on finding of considerable variation within ten countries, we found that there is very little variation or no variation at all in comparison to trust in state institutions in comparing the 2008 trust level with 2013. Both the arithmetic means and standard deviations do not show significant variation in most cases. Some decrease in trust is observed in trust in the legal system while trust in the army grew from 4.0 to 4.3, which is explained by the unresolved conflict between Azerbaijan and Armenia.

As mentioned in macro-institutional theory, people trust in state institutions would correlate with other measures of institutional performance. Correlation of trust in state institutions with few other variables such as "people are treated fairly by government" and "court system favors some citizens versus treat all equally" as well as "fairness of the most recent elections" and "paid a bribe for the last 12 months" showed little association. The highest correlation did not exceed 0.4. This

contrasts with McKee's findings that people who believed they were treated fairly were more trusting than those who considered they were not treated fairly (McKee et al., 2013). Although the correlation is positive, nevertheless it is weak.

At the same time, as literature suggested (Mishler and Rose, 2001; Gibson, 2001), macro-cultural theory argues that interpersonal trust is not only an attribute of national character but also as something projected onto trust in public institutions. In this case the interpersonal trust and institutional trust would be closely correlated. Mishler and Rose found that this is not the case with an R square of 0.18. In the case of Azerbaijan, Mishler and Rose's findings were proved when the interpersonal trust of respondents had an extremely weak (0.3) correlation with trust in public institutions. Nevertheless, the association was not inverse which would be consistent with Shlapentokh's hypothesis (Shlapentokh, 1989) that people rely heavily on interpersonal trust in countries where the political institutions are not trustworthy.

Trying to understand whether individual characteristics could be determinants of trust, we also test variables such as gender, education, settlement type and age and their associations with trust in specific state institutions. Moreover, we wanted to see whether the people who believed that they were treated fairly were more trusting or not. Here we used different techniques including t-test, regression analysis, and ANOVA. Thus, according to the t-test conducted on gender and trust (Table 4), we found that the gender matters in trusting the healthcare system, education, court and partly president, while in other cases it turned to be insignificant.

In order to check whether age is a significant variable, we ran regressions with trust in various state institutions as dependent and age independent, and we got mixed results too. With the variables such as education system, health care, president and executive government, the model showed significance of the variable (although R square was extremely low), while the age variable was insignificant with many others dependent variables.

In contrast, the ANOVA test conducted with trust in public institutions and settlement type (capital, urban, rural) showed that the difference in variation between three settlements is significant. Table 6 shows the significance the significance of formal years of education, which affects the trust level of respondents (see Table 6).

Turning to interpersonal trust, there was no significant association with gender (independent samples t-test —Table 4. Both variables - there are a lot people I can trust; and there are a lot of people I can rely on was used) and education. This contrasts with McKee findings that less educated people trust more. As with institutional trust, settlement type is also significantly associated with interpersonal trust. In other words, people from rural areas tend to trust and rely on other people more than urbanites or people from the capital. Finally, we found that age is also a determinant of interpersonal trust (the higher the age, the lower the interpersonal trust) although the R square in (Table 5) analysis is extremely low. As for the micro-institutional theory that trust in institutions vary in accordance with individual evaluation of performance, so the previous tests proved that trust in Azerbaijan is more generalized than individualized. Moreover, the better or worse treatment of people by the state has no association with the trust level.

7. Discussion

7.1. Hypothesis 1 — cultural theories

Having tested the hypothesis, it turned out that in Azerbaijan those trusting in the president or executive powers tend to trust in other public institutions too, and vise-versa. That does not contradict our cultural theories hypothesis that trust in institutions does not vary much and depends on a historically rooted national experience and demographic characteristics. High interpersonal trust (36% of surveyed trust people, 36% mistrust, 28% undecided; or 39% can rely on people; 31% can not rely; 30 undecided) of Azerbaijanis and strong bonding capital in which people participate in their communities generate trust that spills over into the state institutions. Bonding social capital is defined as connections or networking between people who share a common trait, such as members of the same family, clan where membership is secured only through belonging

Table 4
T-test for Equality of Means. Gender and trust to institutions.

	t-test for Equality of Means	
	T	Sig.(2 tailed)
Healthcare system	−1.951	0.051
Educational system	−2.726	0.006
Army	0.304	0.761
Court	2.063	0.039
Parliament	0.387	0.699
Executive government	-0.041	0.967
President	−1.883	0.060
Police	-0.237	0.813
Local government	-0.702	0.483
Religious institutions	0.777	0.437
Ombudsman	3.812	0.000

Source: Caucasus Research Resource Center. Caucasus Barometer − 2012–2013. Available at http://www.crrccenters.org/caucasusbarometer/.

Table 5
Regression analysis with dependent variable Age.

Age	B	SE	B (p < 0.01)
Healthcare system	−0.010	0.002	0.000
Educational system	−0.008	0.002	0.000
Army	−0.004	0.002	0.034
Court system	−0.004	0.003	0.115
Parliament	−0.002	0.002	0.353
Executive government	−0.003	0.002	0.161
President	−0.050	0.002	0.032
Police	−0.005	0.002	0.041
Local government	−0.002	0.002	0.308

Source: Caucasus Research Resource Center. Caucasus Barometer − 2012–2013. Available at http://www.crrccenters.org/caucasusbarometer/.

by birth. Bridging social capital is characterized by networking between people of various backgrounds, ethnicities or professions, but united by belonging to a common association, party, or organization where membership is open to people of different background. Table 3 also shows that the trust does not vary much across the time when we compare 2008 with 2013.

The presence of bonding social capital can explain many things proving macro-cultural theory. In Azerbaijan, bonding social capital is quite prevalent. Individuals usually find jobs, gain promotions or score access to resources through family networks. This system was already in place during the Soviet era during the 1960s and 1970s. It led to a situation in which certain positions in the Soviet administration were filled only by the relatives of people who already worked in the system, preventing a regeneration of elites. That kind of system existed in many republics of the Soviet Union especially those in Central Asia and Caucasus, but also it existed and still exists in many traditional societies of Africa and the Middle East. Nevertheless, the main difference of Azerbaijan and Soviet experience was the presence of communist bureaucracy or *nomenclatura*. Heydar Aliyev, the first secretary of the Communist Party in the 1970s, even issued instructions prohibiting the children of judges, prosecutors and lawyers from gaining admission to the law departments of local universities. This act prevented the children of judges and prosecutors from entering the legal system since only legal education allowed people to work in such positions. For a short period of time, such prohibitions allowed individuals with working class backgrounds or from the regions to obtain jobs in the higher echelons of power. In independent Azerbaijan the system changed slightly. The regeneration of elites is taking place at a faster pace and with the inclusion of people from the outside. While at the early stage of independence the elites relied on people from the same region or clan, that system became obsolete as time progressed. However, the system of patronage did not disappear, making bonding social capital the most important resource for the people. Connections through family networks allow insiders to acquire resources much more easily than outsiders. The presence and prevalence of bonding social capital in Azerbaijan is easily explained. In a system that craves stability, character traits such as loyalty are valued more than professionalism. The person who offers another person a job wants to secure the loyalty of the newcomer and make him part of the circle. The job-giver becomes a kind of patron for the newcomer and seeks to ensure that the newcomer remains loyal. Given this existing reality, Azerbaijani people tend to rely on relatives, members of their clan or residents from the same village or region. Such a system is beneficial for elites too since the "circle of responsibility" ensures that no one rebels or goes against the system − the punishment for such actions would affect the "rebel" as well as his patron. Such a high level of bonding social capital in the country has positive and negative aspects.

The presence of bonding social capital allows more people to gain access to the system or acquire resources, whether they are jobs, preferences or something else. At the same time, due to rapid urbanization in the country, many people tend to migrate from regions to the capital where they settle close to their relatives or others from the same villages. Networks of these people allow newcomers to reduce transaction costs in terms of arranging for housing, finding jobs or solving immediate problems. Thanks to bonding capital, the phenomenon of homelessness, typical of big cities, is almost unknown in Azerbaijan (Valiyev, 2011).

However, bonding social capital plays a negative role too. In Azerbaijan, reliance on bonding social capital prevents people who are not members of the family or group to gain access to lucrative positions, jobs or financial resources. Meanwhile, membership cannot be obtained unless you are born or marry into the right family (that is why marriage is a very important tool for advancement in Azerbaijan). That is also not unique for Azerbaijan but for many traditional societies of the world. The closed nature of the system could also lead to dissatisfaction and even social protests.

It's worth noting that because of bonding social capital, high interpersonal trust has a certain spillover effect on institutional trust, since the average person would trust not only his/her relative working for some state institution but also this institution as well. Nevertheless, Azerbaijan has a certain peculiarity. For example, the principal component analysis showed us that the trust in courts, ombudsman office and religious institutions (they are also public institutions) are not specifically generalized and aligned with trust in other public institutions. Thus, the trust in these three state institutions is considered to be associated with trust in civil society institutions rather than state institutions. While this is understandable with the ombudsman office that deals with cases of human right violations, it does not explain the position of courts and religious institutions. Another possible explanation for such non-generalization could come from the notion that religious institutions (namely mosques, churches and synagogues) are not considered state institutions (although their heads are appointed by

government). As for the courts, such a low trust in them and low correlation of trust in this institution with trust in others, allows us to suggest that problems with the court system and unfair treatment of citizens is disassociated with trust in other state institutions.

Testing another part of cultural theories (micro) on whether individual characteristic, namely demographic differences, can be determinants of trust in Azerbaijan, we came to interesting results. Our results on the demographic characteristics of Azerbaijani society both confirm and question the prior findings.

7.2. Gender vs. trust

Research done by Alesina and La Ferrare shows that traditionally discriminated groups such as women or minorities are generally distrustful (2002). Taking into account that Azerbaijan society is conservative and women do not always enjoy the same opportunities as the men do, we expected that women would be less trustful than men in Azerbaijan as well. However, our analysis reveals that gender is partly significant in explanation of trust in public institutions (Table 4). On certain categories such as trust in the healthcare system, education, courts and president, females tend to trust more than males. This could be explained by the fact that the social and political inactivity rate among female population of Azerbaijan is very high. A significant minority of women (if not majority) are housewives. They usually do not interact with state institutions and tend to receive information from the usual channels such as mass media. In the absence of independent TV, it is natural to expect that females would have higher trust in public institutions than males. That finding is different from other types of studies. Thus, the study conducted on gender difference and trust in Europe (Hooghe and Marien, 2012) found that in Europe women appear to have more confidence in the police and the European parliament but that they are less trusting than men regarding all other political institutions such as the national parliament, legal system and political parties.

7.3. Age vs. trust

Coming to the age variable, in our model it is significant with such public institutions as healthcare, education system, army, president and police and not significant with the executive government, parliament and court system (Table 5). The negative value of the independent variable indicates that an increase in age in Azerbaijan reduces the willingness to trust in certain institutions in the country. The same way age is significant with interpersonal trust although the R square is extremely low. The results parallel recent research conducted in Uzbekistan (Gleave et al., 2010). In that sense, the social learning experience that often accompanies age is not as critical for the development of trust; instead, a generational or cohort effect might be at work (Putnam, 2000). In Post-Soviet Azerbaijan the tendency exists when older cohorts trust less than younger cohorts because of the Soviet experience (Kornai et al., 2004, pp.: 3—39). Nevertheless, it also contradicts the previous findings of the EBRD on Azerbaijan stating that satisfaction with the economic and political situation is relatively strong, particularly among the 50—64 age groups, which is also the most satisfied with their lives today (EBRD, 2007). We might expect that if this is the case, then the cohort of 50—64 years old people would trust political institutions more, thus reversing the tendency. But this is not the case in Azerbaijan.

Dalton's observation on the US and advanced industrial democracies may explain this paradox. He actually found that age and education are in negative relation with trust; older people become relatively more trustful. As well as the more educated the person, the more distrustful s/he is. Interestingly, Dalton explains that actually, age has nothing to do with trust. People do not become trustful over the time. What happens is that the younger generation is more demanding and unsatisfied with the current political performance. Additionally, the new generation has higher expectations for democracy; therefore the government should do reforms in their actions (Dalton, 2005).

7.4. Education vs. trust

At the same time the education variable showed interesting results. The ANOVA test that can be seen on Table 6, shows that education level matters in explaining the trust level. However, despite the Dalton's (2005) research findings, in Azerbaijan an increase in education is associated with an increase in trust. Although both correlation and regression are very weak, nevertheless a positive association exists. That in turn contradicts the previous findings of McKee et al. (2013) as well, revealing that increasing education is associated with less trust in individuals. In its turn it confirms Uslaner and Badescu, 2004 observation that "every study of generalized trust has found that education is a powerful predictor of generalized trust". Taking into account that different research done on the relationship between political and institutional trust and education reveals different results, other researches argue that the effect of education on institutional trust depends on a country's political and institutional context. For instance, Anderson et al. (2005), Rohrschneider and Rudiger, 2002 conclude that education has a positive effect on political trust; however, Canache and Michael, 2005, Chang and Chu (2006) show that the relationship between education and political trust is negative. Hakhverdian and Mayne find out that when corruption is low, the highest educated exhibit more political trust than the lowest educated; however, the difference between the highest and lowest educated disappears or even reverses as corruption increases (2012). Still this is not the case with Azerbaijan where the corruption is still at a high level. In the case of Uzbekistan, researchers found that although Uzbekistan is not an advanced industrial democracy, age and education negatively affect one's trust in others and in political institutions. (Gleave et al., 2010).

Table 6
ANOVA Test with Settlement type, Education and trust in various public institutions.

	Settlement type		Education	
	F	Sig.	F	Sig.
Healthcare system			16.155	0.000
Educational system	2.180	0.113	19.183	0.000
Army	8.635	0.000	28.357	0.000
Court system	13.761	0.000	10.099	0.000
Parliament	2.442	0.087	15.113	0.000
Executive gov't	5.464	0.004	15.726	0.000
President	32.058	0.000	22.073	0.000
Police	8.400	0.000	17.261	0.000
Local gov't	3.176	0.042	14.374	0.000
Religious ins'ts	28.837	0.000		
Ombudsman	12.208	0.000	11.901	0.000

Source: Caucasus Research Resource Center. Caucasus Barometer − 2012–2013. Available at http://www.crrccenters.org/caucasusbarometer/.

7.5. Settlement type vs. trust

Coming to the other demographic variable, our results have shown that settlement type is significantly associated with institutional trust, except the education system (Table 6). However, here we cannot unanimously state that trust in public institution in rural or urban areas is high or low. Depending on the type of institution, the trust level in the settlement type may vary. Thus, trust in the health care system is highest in capital versus rural areas; while people living in Baku and urbanites trust in the court system less than rural people. At the same time trust inwards police, the president or the executive power is higher in rural areas than urban ones. Such a paradox could be explained partly by the activities of these state institutions in the cities and rural areas. Second, access to independent sources of information rather than State TV makes urbanites less trusting of state institutions.

7.6. Hypothesis 2 − institutional theories

Testing the micro-institutional theory as to whether a positive treatment of individuals affects trust levels did not reveal a significant impact. The low correlation between the variable of fair treatment and trust level showed that despite the fact of good or bad services of public institutions to the general public, such treatment does not affect the trust level in Azerbaijan. Nevertheless, taken into consideration recent innovations and implementation of better service delivery starting from 2012, we may expect that in few years micro-institutional theory may prove itself to be true. A recent launch of one-window system services is being implemented in taxation, customs, service and massive reforms in education sector, which may lead to a growth of trust due to better services.

8. Conclusion

To sum up, we can conclude that trust in Azerbaijan in political institutions is related to each other (trust in one institution spill over to another one), and it is not connected with performance of that institution. It proves that the cultural theories of political trust are applicable to Azerbaijan. That is also explained by presence of bonding social capital that has deep roots in the society and manifests itself in the political trust as well. In addition, demographic characteristics also have their impact on political trust in Azerbaijan, however there are some peculiarities, unlike in other post-communist countries. For instance, women are more trustful in some institutions than men are, and the more educated a citizen is, the more trustful he or she appears to be. As to the institutional theories, these one are not of much use in the case of Azerbaijan. The findings are largely consistent with Mishler and Rose who confirmed the observation that trust in post-Soviet republic of Azerbaijan, although generalized, but nevertheless is not explained much by institutional theories but rather cultural one. Meanwhile, additional research should be conducted to test more those institutional theories: the reason are the institutional reforms in the Azerbaijani government. Reformed institutions might help rebuild faith in public institutions. Creating trust from above is a very enticing prospect for countries in transition, because building confidence in fellow citizens by stronger anticorruption measures might be much easier than reshaping people's attitudes.

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