

Perceived “common” social problems and macroeconomic trends in Azerbaijan

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Abstract. The research presents an elaborated mapping of common social problems in Azerbaijan across country’s regions. Using a survey dataset of 2161 respondents representing various socio-demographic categories of the population, the study borrows a two-stage approach to identify the “common” social problems in the country. Primary research findings are (1) the "top 5" list includes inflation, unemployment, corruption, state of education and health, and poverty, (2) a correlation exists between macro-economic trends and the population's social problem perception, (3) the subjective evaluation is relatively less institutional in the regions, and among less educated people, and (4) poverty is a typical problem for the less educated people. From institutional perspective, Azerbaijan government should put more effort into enhancing governance quality. On the economic side, the government needs to reconsider its official unemployment and poverty records to do more precise policy estimates, which is crucial to abstaining from social unrest.

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1. INTRODUCTION

Social unrest records display an increasing trend globally (see Institute for Economics and Peace 2020) and are common to all countries - either having democratic or autocratic regimes (Mudhiah et al., 2015). Besides being affected by socio-economic factors (International Labor Organization (ILO), 2013; Barrett & Chen, 2021), social unrest likelihood in a country is also strongly correlated with past turmoil within the country and in the neighbouring countries (Hlatshwayo & Redl, 2021).

There are two primary criteria to consider an issue as a social problem – (a) affecting multiple individuals and (b) is a concern for many people (Mills, 2000). Research reveals that the threat of social instability motivates autocrats or ruling parties to redistribute welfare benefits to maintain political survival in nondemocratic regimes (Albertus, 2015). From this perspective, mapping social problems present a

scientific base for a better policy design to diminish the likelihood of any social unrest. For instance, Hwang (2022) reveals policy variations attributed to China's social unrest level as an exemplary policy design. However, the correlation between common social problems in minds (perceived by individuals as the more important ones) and the macroeconomic trends is interesting that if there is any convergence. The twofold links between macroeconomic results and social policy efficiency can be illustrated by the influence of social expenditures on economic growth (Baranowski & Jabkowski, 2021). The partial evidence of the social benefits formation due to the fiscal policy multiplier effect (Szymańska, 2022) proves the importance of studies of the relationship of macroeconomic results and social problems diminishing.

The current study focuses on a Post-Soviet and resource-rich developing country – the Republic of Azerbaijan to do a mapping of common social problem perception and review macroeconomic trends to explore any similarities. Though the 2020 Global Peace Index places Azerbaijan within the medium range, social unrest concerns might still be on the government's agenda, especially when the revolution attempts in other Post-Soviet countries (Armenia, Ukraine, Georgia, Kyrgyz Republic, Kazakhstan) considered, in line with Hlatshwayo and Redl (2021). Post-revolution changes have increased the significance of many social problems and their perception, like income inequality, which can be evaluated incorrectly in terms of the high share of shadow economic relations (Mishchuk et al., 2018).

It is worth mentioning that the Azerbaijan government has been taking some measures to address the key socio-economic concerns. The government has been using resource sector earnings intended to improve non-resource sectors through massive fiscal injections (Aliyev & Gasimov, 2018). Adopted state programs for socio-economic development of the regions (2004-2008, 2009-2013, 2014-2018, 2019-2023), and on poverty reduction and sustainable development (2008-2015) recall the government's sensitivity to the social problems (Ministry of Economics, 2022). However, social problems are dynamic and could change across various social contexts. Hence, evaluating the population's most mentioned social problems could provide a roadmap for improved public policy decisions. In addition to outlining macroeconomic issues, doing the mapping based on subjective evaluation perspective (what individuals mention the most) should better embrace society's problems.

This research aims to identify and explore perceived "common" social problems in Azerbaijan and its regions and simultaneously explore the dynamics of selected macroeconomic / institutional quality related indicators. More specifically, research responds to the following research questions (RQ):

RQ1. What were the "common" social problems in (the regions of) Azerbaijan in the year 2021?

RQ2. How much are the "common" social problems correlated with macroeconomic trends in the country?

The research employs a cross-sectional and country-wide survey dataset by ASERC (2021). The survey was conducted online (using paid ads on Facebook and Instagram) from September 10 to November 6, 2021, among 2208 adults. Respondents were asked to choose self-perceived primary problems (from a given list) in the country (the maximum number of choices is limited to 5). The given list is (1) agreed upon by a group of experts, later (2) shared with the public for any amendments/comments on Facebook, and finally (3) presented in the survey with additional an "other" option. After removing non-responses and responses with the "all are important" comment in "other option", 2161 observations remained.

Research findings reveal that the common (most cited 5) social problems list primarily consists of (1) inflation, (2) unemployment, (3) corruption/bribery and nepotism, (4) the state of education, (5) the state of health, and (6) poverty. The problems are "more institutional" in the center (Baku city and Absheron-Khizi region), and within the well-educated groups of people. Results from the subjective evaluation perspective have a relative overlap with macroeconomic trends.

2. METHODOLOGICAL REMARKS

2.1. Regions

By the Presidential decree on July 7, 2021, Azerbaijan is divided into 14 economic regions (see Figure 1.), followed by ASERC (2021). Note that the country is relatively small (86.6 thousand square km.) with just over 10 million population. Baku city (the capital) and the Absheron-Khizi region are the most populated area while remaining somewhat similar. Also, note that the East Zangazur and Karabakh's majority had been under occupation, controlled by Armenia before 2021, which Azerbaijan retook after the 44-day war in the last quarter of 2020. A small part of the Karabakh region is inhabited by ethnic Armenians who still refuse Azerbaijan's authority, which the survey does not cover. Due to the destruction and massive landmines, there are no settlements in the remaining parts of the retaken area. Origins of East Zangazur and retaken part of the Karabakh region have settled in the other areas of the Republic.

Taking all the aforementioned remarks into account, the study reconsiders the size effects of current regional classification and merges less populated economic regions with similar geographical locations:

- Baku city
- Absheron-Khizi region
- The north area (including Guba-Khachmaz, Sheki-Zagatala, and Mountainous Shirvan regions).
- The central area (including Central Aran, Mil-Mughan, and Karabakh regions)
- The south area (including Shirvan-Salyan, and Lankaran-Astara regions)
- The west area (including Ganja-Dashkasan and Qazakh-Tovuz regions)

Due to very low respondents attended, the analysis excludes the Nakhchivan Autonomous Republic in addition to East Zangazur economic region. East Zangazur region is not settled yet by ordinary citizens as the region was under Armenia's occupation and liberated recently, by the end of 2020. Low participation from Nakhchivan Autonomous Republic can be attributed to its blockade from the mainland of Azerbaijan and probably Meta's advertisement algorithms do not cover the region effectively as part of Azerbaijan.



Figure 1. New regional classification in Azerbaijan

Baku city and the Absheron-Khizi region have smaller areas while settling a larger population share. North-Central and South-West have approximately equal sizes.

Table 1

Representation of regions (% of total)

	Area	Population	Respondents
Baku	2.5%	22.7%	48.9%
Absheron-Khizi	4.3%	5.7%	14.2%
North	25.3%	15.0%	12.0%
<i>Guba-Khachmaz</i>	8.0%	5.5%	4.1%
<i>Sheki-Zagatala</i>	10.2%	6.2%	6.1%
<i>Mountainous Shirvan</i>	7.1%	3.2%	1.8%
Central	24.7%	21.4%	9.9%
<i>Central Aran</i>	7.7%	7.3%	5.2%
<i>Mil-Mugan</i>	6.5%	5.2%	1.9%
<i>Karabakh</i>	10.4%	8.9%	2.8%
South	14.0%	14.4%	7.2%
<i>Shirvan-Salyan</i>	7.0%	5.0%	2.9%
<i>Lankaran-Astara</i>	7.0%	9.4%	4.3%
West	14.2%	12.8%	7.1%
<i>Ganja-Dashkasan</i>	6.1%	6.0%	4.5%
<i>Qazakh-Tovuz</i>	8.1%	6.8%	2.6%
<i>East Zangazur</i>	8.6%	3.4%	0.1%
<i>Nakhchivan</i>	6.4%	4.6%	0.6%

Source: own compilation

Current population shares (see Table 1) denote those with official registration. However, many unregistered inhabitants are due to internal migration (including internally displaced persons (IDPs) from East Zangazur and retaken part of Karabakh). Hence, population data could be less accurate due to the effects of internal migration. In this context, the overrepresentation of Baku and Absheron-Khizi regions in the sample could be acceptable. Overall, the dataset provided by ASERC (2021) allows mapping Azerbaijan's most cited (top 5) social problems.

2.2. Research design

2.2.1. Hypothesis development

The research is a multilevel descriptive analysis. Figure 2 presents the conceptual model postulating the rising mechanism of social problems at the "Macro level" and "Micro level". Macro-level conditions might influence an individual's subjective social problem evaluations (*b*), which also determines (*c*) the subjective ranking within a pool of social problems. Both simple (aggregation of individual evaluations) and complex aggregation ("majority effect", group conformity, social learning biases, see Van Tubergen (2020)) explain the channel *c*. In this context, main social problems could overlap or vary at macro and micro-level analysis. Simultaneously, because individuals observe the macro-level realities (economic performance, governance quality, etc.) and are exposed to media transmission, and because a government's behaviour is endogenous (affected by what concerns voters the most), a correlation (*d*) should exist.

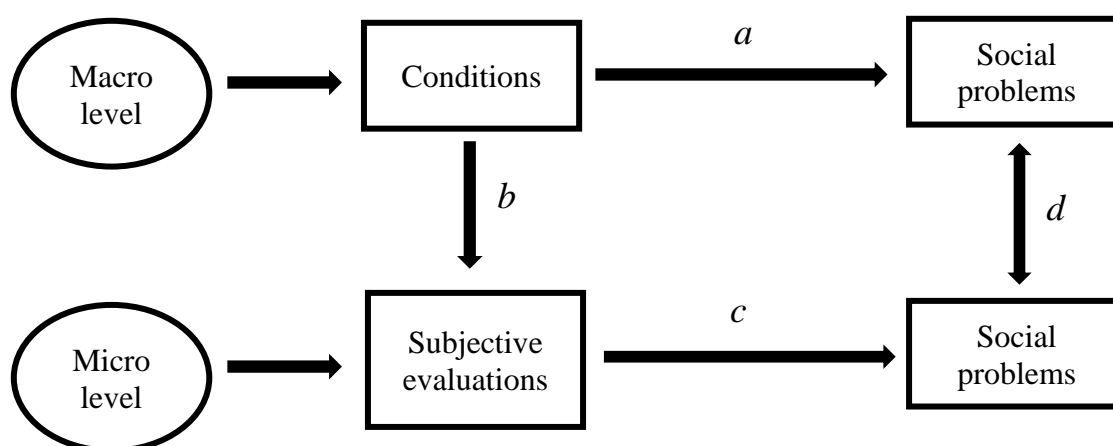


Figure 2. Conceptual model

Source: *own compilation*

Based on the given conceptual model, I can formulate the first hypothesis:

H1: *Subjective social problem evaluations converge to macro level realities.*

From this perspective, I firstly review historical data of related macroeconomic and governance quality indicators (*Macro level*), and later incorporate the survey data (*Micro level*) to explore the subjective evaluation differences due to social context effects (see Figure 2).

2.2.2. Variables

The sampling frame of ASERC (2021) includes all Facebook and Instagram users. At first sight, this could be a limitation in representing the behaviour of social groups. The survey actively used paid ads and reached more than 100 thousand people. Hence, the dataset presents an approximate view of Azerbaijan's population, considering that social media usage has increased during the pandemic.

The survey includes many individual specific questions. In this study, incorporated indicators are gender (male, female), age (ranging from 17-80), and the current region of residence (by 14 economic regions). Table 2 displays the distribution of the dataset by gender, and age groups in a geographical context.

Table 2

Sample's composition by gender and age groups across regions

	Gender		Age groups		
	Male	Female	17-35	36-55	56 and more
Whole sample	45%	55%	61%	30%	9%
<i>Baku</i>	41%	59%	63%	29%	8%
<i>Absheron-Kbizzi</i>	47%	53%	58%	35%	7%
<i>North</i>	48%	52%	55%	31%	13%
<i>Central</i>	54%	46%	55%	37%	8%
<i>South</i>	59%	41%	64%	23%	13%
<i>West</i>	34%	66%	63%	31%	6%

Source: *own compilation*

The gender and age structure of the dataset does not vary significantly in the regional context. There is a plausible pattern regarding the level of education: respondents with master's or higher degrees mainly settle in Baku city and the Absheron-Khizi region.

2.3. "Common" social problems

A scientific approach to identifying "common" problems in ASERC (2021) is a 2-stage process. At the first stage, a group of experts have agreed on a list of main public issues. Later (second stage), the list was shared on social media to get comments and additions from the public (see Figure 8 for the final list).

Here, the "common" problem notation denotes mentioned "top 5" public issues by each respondent representing different social contexts. Limiting the maximum number of choices to 5 implicitly display "more important" issues. Those who mentioned "all listed problems are important" in the "other" option have been removed from the analysis.

3. MACRO-LEVEL ANALYSIS

Azerbaijan is a land-locked developing country located in the South Caucasus on the western coast of the Caspian Sea. The country has rich oil and gas reserves, enjoyed an oil boom from 2005 to 2015 and implemented a generous fiscal policy (see Aliyev and Gasimov 2018). However, a boom in the oil sector and a massive injection of natural resource earnings into the economy led to some inefficiencies. The oil sector still generates nearly half of total output (see Figure 3) and approximately 90% of exports. Numerous studies reveal the signs of resource curse symptoms in Azerbaijan's economy (Shaw 2013; Hasanov 2013; Gasimov, 2014; Niftiyev 2020).

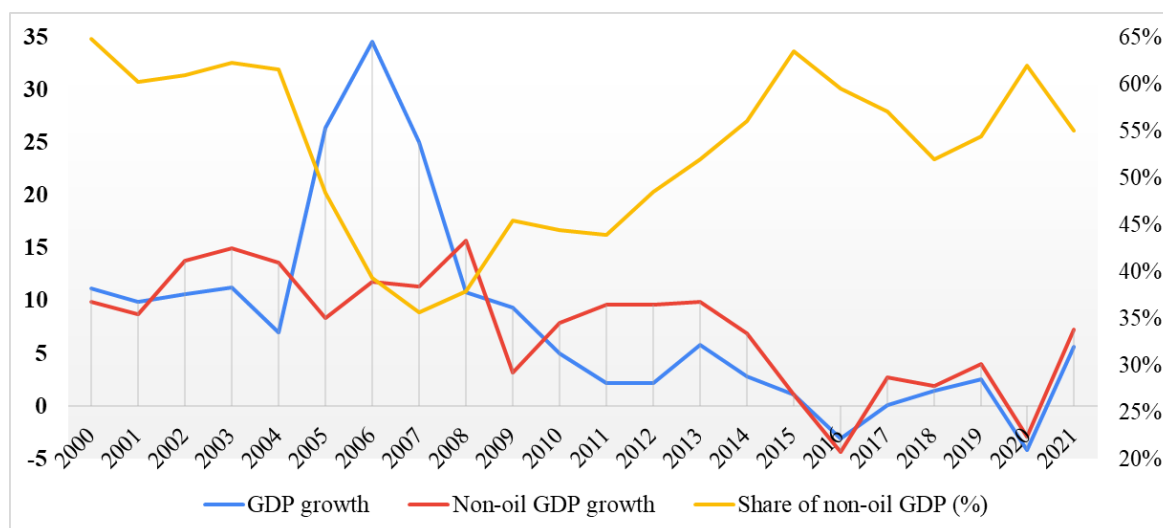


Figure 3. Azerbaijan's economic growth trends

Source: Author's own creation based on the Central Bank's statistical bulletins.

However, the "oil boom honeymoon" ended in 2015 after the oil price crash, accompanied by the production decline. The government was forced to devalue the national currency twice (February 21 and December 21) within a year (Czech and Niftiyev 2021). Devaluations, in turn, resulted in inflationary pressure (Mukhtarov, Mammadov, and Ahmadov 2019). Two-digit inflation (12.4-12.9%) was announced by the Central Bank for 2016 and 2017, respectively.

Although inflation stabilized at around 3% in the following years, the Central Bank (2022) has reported average yearly inflation to be 6.7% in 2021, which climbs to 12.2% by February of 2022. The increase in food prices is even higher (the reported rate is 17.2%). Figure 5 displays the monthly price change in the disaggregated consumer basket.

Note that monthly inflation in food products has been over 2% during the last six months. Moreover, food prices have recorded a remarkable upward change since July 2021. In this context, *inflation might be among Azerbaijan's most mentioned social problems.*

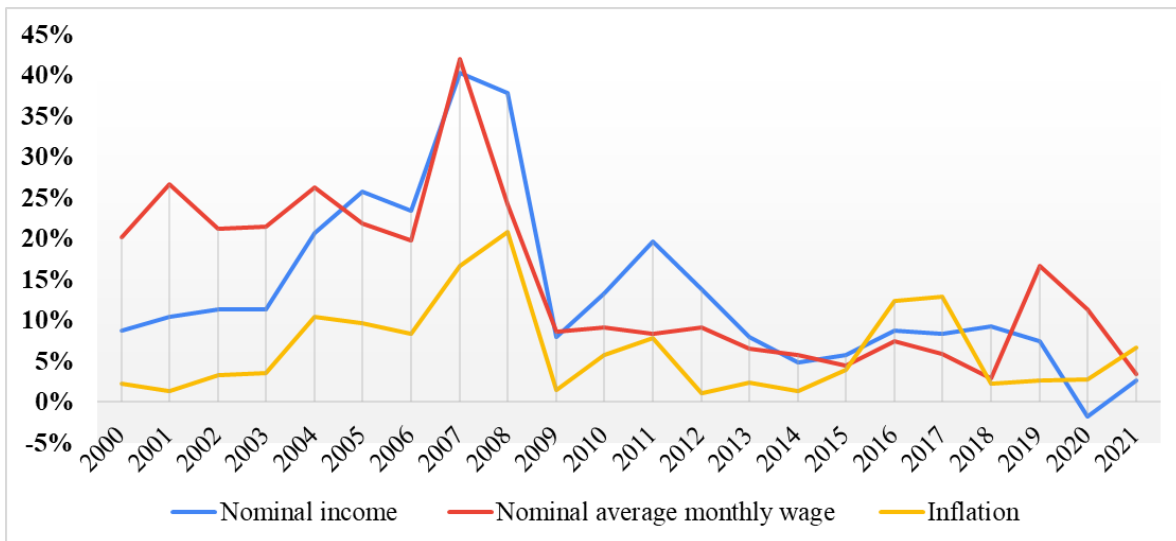


Figure 4. Growth in population income and inflation rate dynamics

Source: Author's own creation based on the Central Bank's statistical bulletins.



Figure 5. Monthly inflation records (in %, from January 2021 to February 2022)

Source: Author's own creation based on the Central Bank's statistical bulletins.

Another primary outcome of the oil boom is a heavy concentration of people and investments in Baku and its surrounding region (Absheron-Khizi). According to the State Statistical Committee of Azerbaijan Republic (SSCAR 2021a), more than 58% of the population's nominal earnings belong to Baku city, which

corresponds to less than 2.5% of the territory and resides over 2.3 million people (nearly 23%). Baku should take even a larger share if non-registered residents (see Qəribova and Rüstəmovə, 2020) are considered. The share of the remaining regions in the population's nominal income varies within the 2-5% range (Figure 6).

Regional income inequality is much more apparent with per-capita nominal income data. Baku is a significant outlier with over 14 thousand AZN per capita nominal income. It is nearly 4.5 times the per-capita nominal income in the Absheron-Khizi region, just around Baku. Therefore, *one may correctly expect domination of economics oriented social problems (inflation, unemployment, poverty) in Azerbaijan's regions.*

Official data regarding unemployment and poverty in Azerbaijan is less informative and looks imprecise. According to official statistics (SSCAR 2021b), the unemployment rate was 7.2% in 2020 and 4.2% in 2019. Simultaneously, the latest reported poverty level in the country is 6.2% (SSCAR 2021b). *Unemployment and poverty should not be common social problems if the official data is accurate enough.*

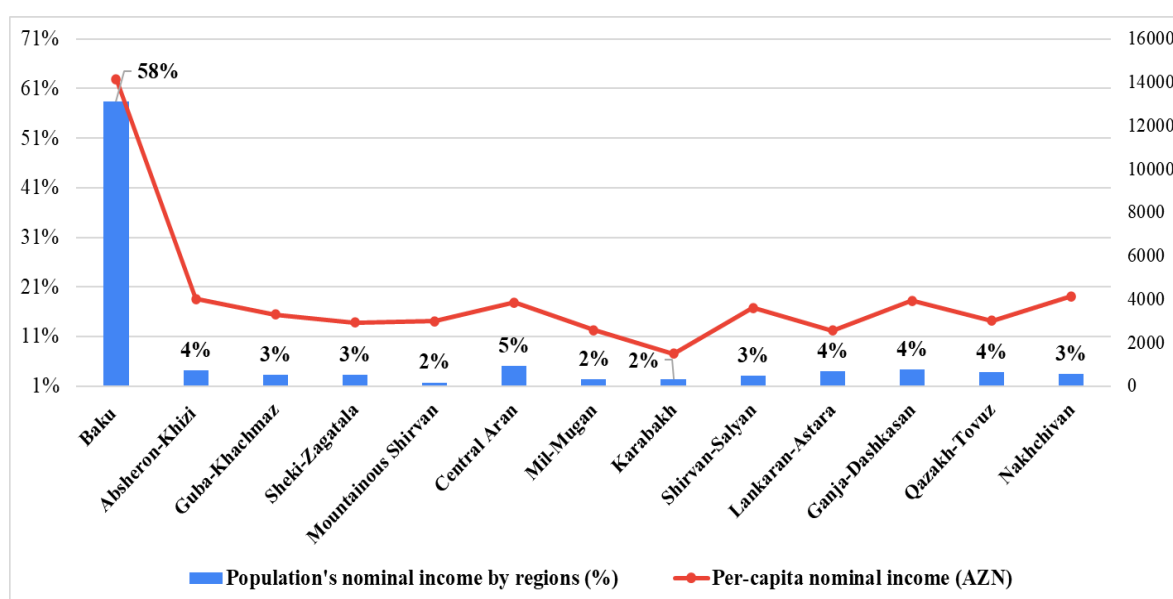


Figure 6. Income inequality by regions in 2020

Source: Author's calculations based on SSCAR (2021a).

Social problems are not limited to socio-economic issues. Besides, governance quality-related public issues also frequently appear on the primary list of public issues. A review of governance quality indicators by the World Bank (2022) could help outline the country's state of governance. The dataset estimates 6 broad dimensions of governance within the "-2.5" (weak) and "2.5" (strong) range (Kaufmann, Kraay and Mastruzzi 2011): (1) Voice and accountability, (2) Political stability and absence of violence/terrorism, (3) Government effectiveness, (4) Regulatory quality, (5) Rule of law, and (6) Control of corruption.

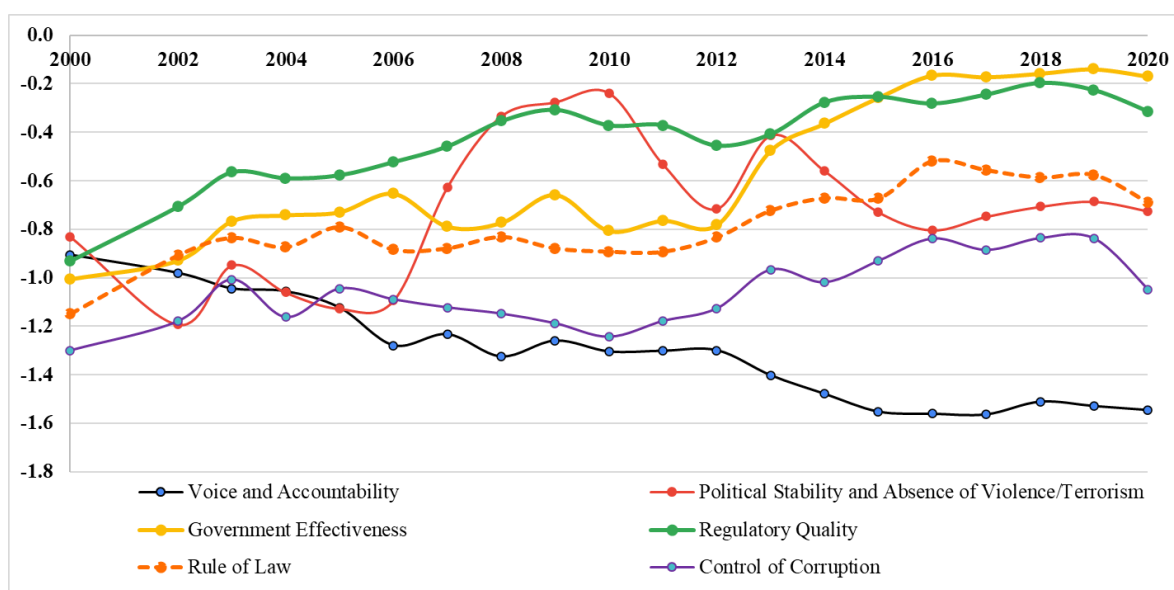


Figure 7. Governance quality estimates of Azerbaijan (2000-2020)

Source: World Bank (2022).

World Bank (2022) estimates that Azerbaijan's governance indicators have always been under zero. However, there is a moderate improvement in 2 dimensions: government effectiveness and regulatory law. There is a slight upward trend of remaining indicators except for voice and accountability. The least estimates attributed to voice and accountability and control of corruption. Reports by Human Rights Watch (2020) and Freedom House (2022) also underline governance quality issues in the country. From this point of view, *governance quality concerns of citizens, especially voice and accountability and control of corruption, could be among "common" social problems.*

A quick screen of statistical records provides some insights regarding the state of health. According to Global Health Security Index (2019), Azerbaijan is the 117th among 195 countries. A decline in health capacity (number of skilled staff and beds) from 2010 to 2020 despite population growth (Aliyev 2021). From this perspective, *people are likely dissatisfied with Azerbaijan's state of health.*

On the other hand, Azerbaijan is proud of its very high literacy rate. According to UNESCO (2022), the growth enrolment ratio in secondary education was 94% by 2020. However, in the same year, the primary and tertiary education enrolment rates were around 45% and 35%, respectively. Furthermore, government expenditure on education comprises 10.5% of the total state budget (UNESCO 2022). According to Silova (2010), most (over 90% of sampled) students receive tutoring. A high level of private tutoring remains in the country, and public discourse remains. The probability is higher that *such enormous interest in private tutoring is associated with dissatisfaction with the current state of public education.*

4. RESULTS

In total, 2161 respondents have made 10030 mentions. Though the maximum number of choices is limited to 5, some respondents have made choices under five. Below, Figure 8 illustrates a quick review of the distribution in mentions.

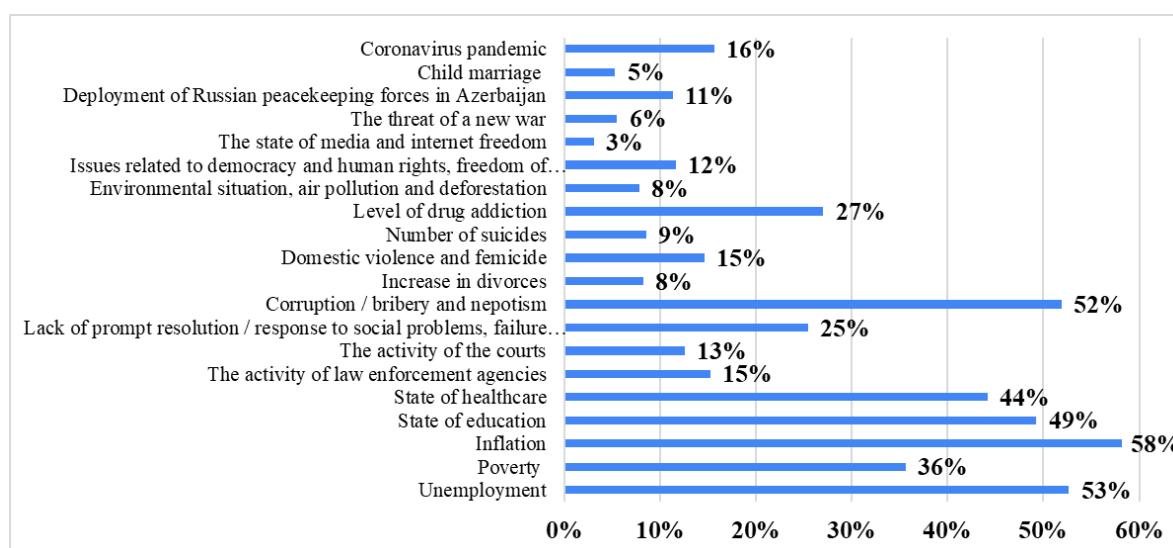


Figure 8. Distribution of "at most 5" social problem mentions

Source: Author's completion based on ASERC (2021) dataset.

The first insight is that people respond to macroeconomic policy performance in Azerbaijan. Inflation is the most selected social problem (58%), which is quite plausible in the context of recent inflationary pressure (see Figure 3). However, the second and sixth most selected public issues, unemployment (53%) and poverty (36%) require interrogation of reported official statistics' accuracy. The remaining three social problems within the top-5 list are governance quality related. Respondents underline issues in the control of corruption (by 52%), dissatisfaction with the state of education (by 49%) and healthcare (by 44%).

4.1. Common problems in regional context

Inflation is a "number 1" social problem in the whole country. Nevertheless, it is slightly less severe in Baku city and the Absheron-Khizi region compared to the remaining areas. Table 3 tabulates the share and ranking of more frequently mentioned social problems in the regional context. Respectively, 54% and 57% of respondents put inflation within their top-5 social problem choices. In contrast, a larger share (62-66%) of respondents set apart inflation in the regions. The result re-confirms the regional inequality issue (Figure 6). Meanwhile, results support the idea of Easterly and Fischer (2001) that poor people are more likely to mention inflation as a "top national concern".

Unemployment is the second most mentioned (by 53%) social problem in the whole sample and the regions, while it is the 4th in Baku's ranking by half of the respondents. Mentions in regions vary within [53%, 60%]. Unemployment is relatively more common in the South, followed by the North, West, and Central areas.

Corruption/bribery and nepotism (hereafter corruption) is perceived as the third top national concern with 52% mentions. In the regional context, corruption remains in ranking within the [47%, 54%] interval. Interestingly, total mentions of corruption are almost equal in Baku city, Central, North, and South area – around 53%. The problem received fewer mentions in the Absheron-Khizi region and the West area.

Table 3

Top-5 social problem mentions by regions

	All included		Baku		Absheron-Khizi		Central		North		South		West	
	%	R.	%	R.	%	R.	%	R.	%	R.	%	R.	%	R.
Inflation	58%	1	54%	1	57%	1	62%	1	66%	1	65%	1	66%	1
Unemployment	53%	2	50%	4	53%	2	56%	2	57%	2	60%	2	56%	2
Corruption	52%	3	53%	3	49%	4	54%	3	54%	3	52%	3	47%	3
State of education	49%	4	53%	2	52%	3	43%	4	45%	5	38%	5	39%	5
State of healthcare	44%	5	45%	5	46%	5	36%	6	46%	4	40%	4	39%	6
Poverty	36%	6	33%	6	35%	6	41%	5	39%	6	34%	7	44%	4

Note: "R" denotes the place in the ranking.

Source: own calculation

The remaining two common public issues concern public service quality (state of education and healthcare) and poverty in the country. The state of education is consistently among the top-5 list, the second most mentioned (by 53%) problem in Baku city, followed by the Absheron-Khizi region (by 52%). The state of healthcare and poverty completes the top-5 list. Respondents are unsatisfied with healthcare primarily in the North area (by 46%), Absheron-Khizi region (by 46%) and Baku city (by 45%). Poverty is only within the top-5 most mentioned list in West regions (44%) and the Central area (41%).

4.2. Common problems in the "educational attainment level and regions" context

Educational attainment should be one of the primary factors affecting an individual's perception of common problems. From this perspective, mapping the top-5 social problems for the groups of people with different educational attainment levels should create more realistic imagination. Figures 9-10 represent the mapping data for less- and more educated groups.

For the least educated group, inflation is the biggest concern (mentioned by 62.4%), followed by unemployment (by 59.8%) and corruption (by 51%). The percentage of mentions further increases in regions. However, the most prominent fact is that the state of healthcare never falls into the top-5 of comprehensive school (9- or 11-year compulsory education) graduates. Instead, poverty is at the 4th rank with 46.4%, which is more severe in regions. On the contrary, the state of education is a common problem in the economically developed area, Baku city and the Absheron-Khizi region. In regions, the state of education is within the top-5 of only the West region.

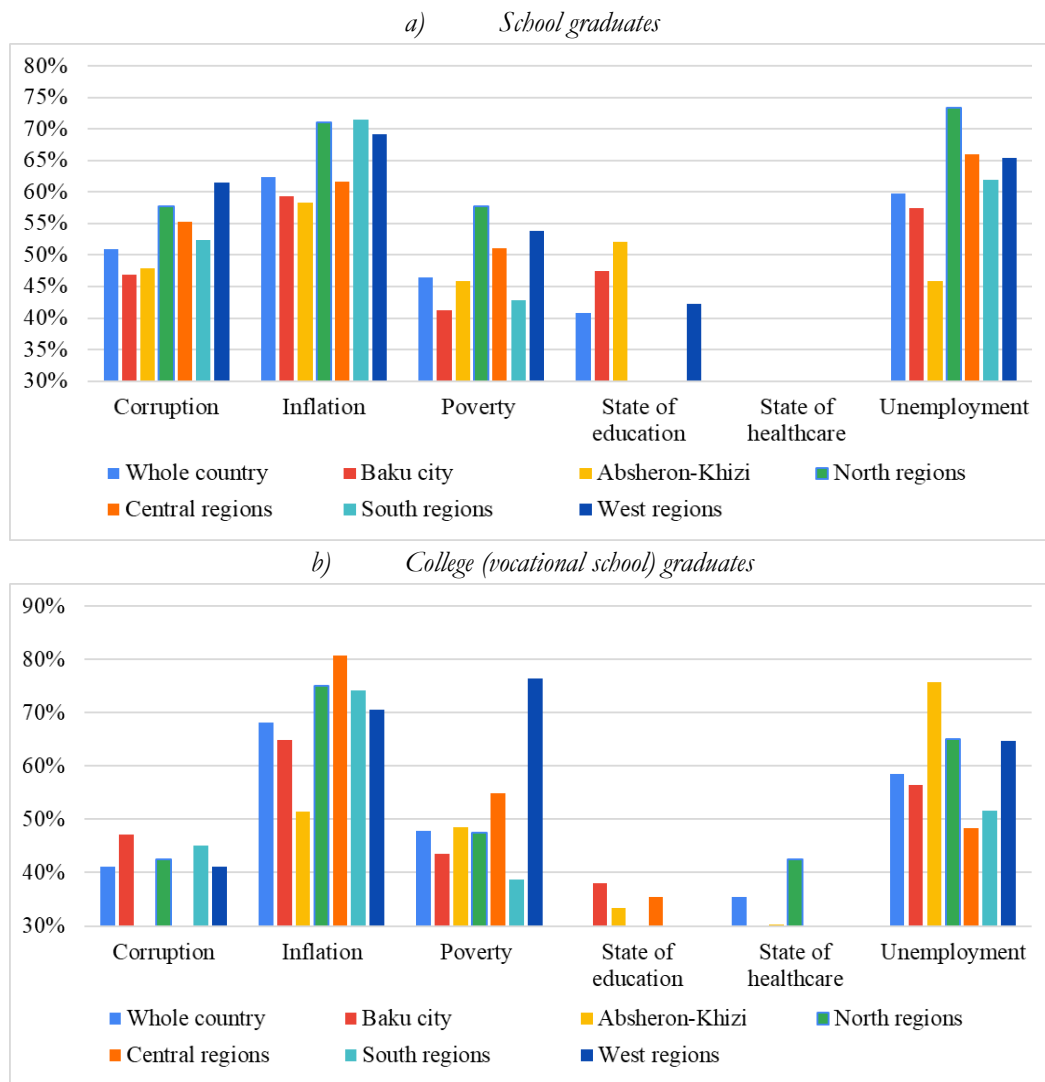


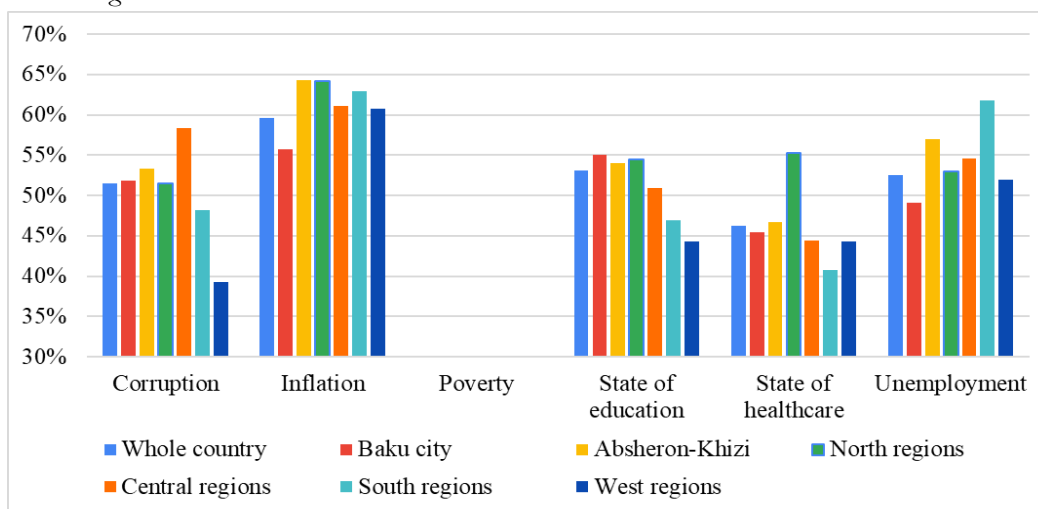
Figure 9. Mapping social problems by less educated people

Source: own calculation

Regarding so-called college graduates, the data show relatively less importance on institutional issues like corruption (by 41%), and state of education and healthcare (35%). On the contrary, inflation (by 68%), unemployment (by 59%) and poverty (by 48%) receive considerable higher mentions. Inflation is a bigger concern in regions, especially in the Central area, while unemployment does not entail a region-center pattern. Regarding poverty, the West area is an outlier with 77% mentions, while others are generally within $\pm 5\%$, around 48%.

Comparing Figure 9 to Figure 10 demonstrates a substantial perception difference associated to the level of educational attainment. Although a college education does not substantially contribute to people's earnings in Azerbaijan (see Ismayilov et al., 2022), having a university degree matters significantly.

a) Bachelor graduates



b) Master and PhD degree holders

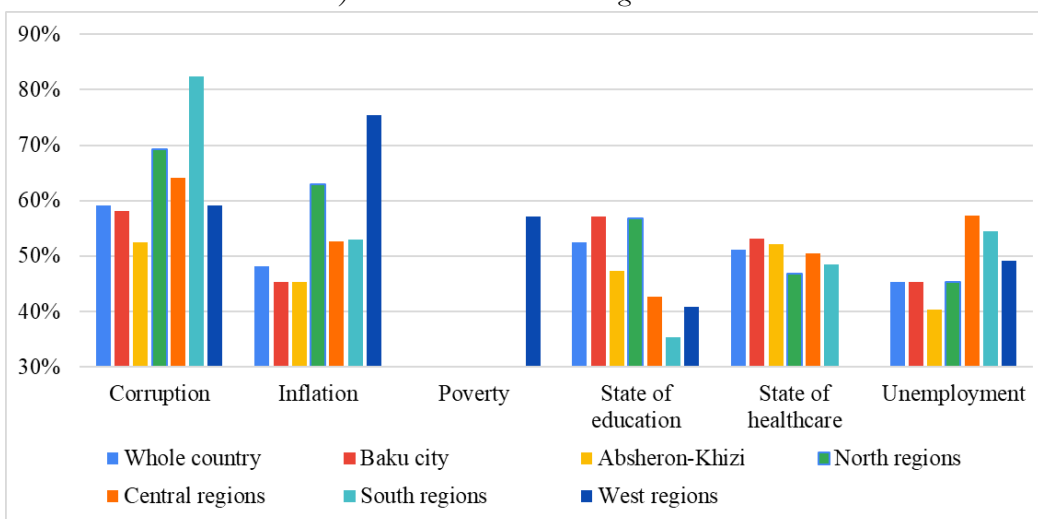


Figure 10. Mapping social problems by more educated people

Source: own calculation

Inflation remains to be mentioned the most (by 60%) for bachelor's degree holders, slightly more severe in regions. Though unemployment also remains in the top-5 list, a tendency toward "institutionalization" of social problems displays itself. Among bachelors, the second most mentioned social problem is the state of education (53.1%), followed by unemployment (52.6%), corruption (52%) and the state of healthcare (46%). The strength of institutionalization slightly weakens towards regions.

Among master's and PhD degree holders, the institutionalization process moves forward such that corruption places the 1st with 59% in total mentions, followed by the state of education (53%), the state of healthcare (51%), inflation (48%) and unemployment (45%). In the regions, corruption is cited by more respondents, while the state of education is cited relatively less. West area is an outlier where the majority mention poverty (57%) and inflation (75%).

5. CONCLUSION AND DISCUSSION

The global rise of social unrest records warns governments to be more sensitive to society's social problems. Azerbaijan, a resource-rich and oil-dependent country, has political stability to some extent, according to World Bank's (2022) records. However, as stated by Kamilsoy (2021), recorded small protests "mirror larger social tensions" in the country. Azerbaijan's position according to the 2020 Global Peace Index (Institute for Economics and Peace 2020), and social unrest history of the Post-Soviet region and current inflationary pressure could strengthen social tensions, in line with Hlatshwayo and Redl (2021), Barrett and Chen (2021) and Barrett (2022). From this perspective, this research highlights the society's main social problems from a subjective evaluation perspective and presents an elaborated mapping while also considering the main macroeconomic trends.

Relying on the most recent survey data (ASERC 2021), the study identifies the most common social problems across regions of the country. The more a social problem receives mentions, the more important social problem it is. Simultaneously, the research incorporates macro data of primary socio-economic and governance quality indicators to catch any association with subjective evaluation-based outcomes. Macro trends tell inflation, unequal wealth distribution across regions, and weak governance quality to be among the common social problems list.

Identifying the common social problems and mapping is more straightforward from a subjective evaluation perspective. Common social problems are inflation, unemployment, corruption/bribery and nepotism, the state of education, the state of health, and poverty (*RQ1*). The study also reveals a convergence between macroeconomic trends and perceived common social problems in Azerbaijan (*RQ2*). There is enough evidence of convergence to macro-level realities (*H1*). In this respect, the government might reconsider the reliability of official unemployment and poverty records.

Research also reveals that subjective social problem evaluations vary across the social contexts. Notable, regional contexts matter less than individual specific contexts, i.e., the groups by the same educational attainment levels. Results display social problems are *less institutional* in regions compared to the center, Baku city, and among less educated respondents. Meanwhile, poverty is more likely a common social problem for less educated people.

Recent policy actions by the government further support the research's findings and confirm its practical relevance. The Chairman of the Executive Board of State Agency on Mandatory Health Insurance (TABIB), Ramin Bayramli, resigned on September 13, 2021 (AZTV 2021); President appointed a new Ministry of Health on January 19, 2022 (Aliyev 2022a). On April 4, 2022, President confirmed the national action plan for 2022-2026 to strengthen the anti-corruption policy measures (Aliyev 2022b). Simultaneously, President Ilham Aliyev underlined inflation as a policy priority with a noticeable focus on rising food prices on April 12 (Aliyev 2022c). One day after, Elman Rustamov, former director of the Central Bank of Azerbaijan Republic who held this position since 1992, was replaced by Taleh Kazimov following the presidential decree on April 13, 2022 (APA 2022).

Current research should provide more insights adaptable to further policy actions. Society may perceive inflation as a worldwide exogenous social problem (manipulated by the mass media); further public issues in the "top 5" list are entirely internal. People are susceptible to corruption, the state of education and health. Although governance quality indicators underline democracy and human rights-related issues as a common social problem, fewer respondents mention them within "top 5". Unemployment and poverty are common problems to the majority, contrary to the official records. From this perspective, the government needs to question the reliability of official records and make adequate policy decisions accordingly. Otherwise, social unrest likelihood could increase, fueled by the current inflationary tendency.

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