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# FROM ELITE REPRODUCTION TO ELITE ADAPTATION: THE DYNAMICS OF CHANGE IN PERSONAL NETWORK OF SLOVENIAN ELITES

## *ABSTRACT*

*This article deals with the process of elite adaptation in Slovenia in the period between 1988 and 1995. While negotiated settlement between the old and new elites in Slovenia contributed to high reproduction rates of Slovenian old elites, there was significant change going on within the new and old elites. By looking at their ego networks, we show that the debate on elite reproduction is overlooking an important aspect of change, i.e. the adaptation of elites. We analyze changes in the composition of elites' networks and find that in spite of high reproduction rates, there was extensive fluctuation in the old elites' networks. We also find that changes in the composition of networks were the result of strategic choice by the members of the new and old elites. These results indicate that Slovenian elites undervent significant changes that simple measures of elite reproduction fail to uncover and that they were a result of conscious elite adaptation rather than induced elite accommodation to regime change. We argue that because it shifts emphasis from elite reproduction to the actual social processes elite adaptation theory provides superior tools for the analysis of transition in those societies that experienced negotiated settlement of old and new elites.*

*Key words: Elite adaptation, elite reproduction, transition in Slovenia, Eastern Europe*

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# Introduction

The observers of the democratic transition and consolidation in Eastern Europe have most often paused at the question of the post-communist elites and asked whether the break with the old communist elites was real or illusory. A major comparative study in the region pointed to the high levels of reproduction of communist elites and their power networks in all areas of activity from politics to economy to culture (Szelenyi, Wnuk-Lipinski, Treiman, 1995). The question of academic and political interest was what implications did high reproduction of old elites have for the dynamics of regime change and the introduction of necessary reforms? Was high reproduction of elites a prelude to stalled reforms and even return to communism? Or was it a guarantee of the success of regime change because old elites will soften inevitable market reforms so as to make them more acceptable to the masses?

Many authors expressed concern that high reproduction of elites would bring the end to reforms. The skepticism was expressed in terms such as 'nomenclature capitalism' and inspired titles such as From plan to clan (Stark, 1990) and The first shall be last? (Rona-Tas 1994). Two arguments emerged in the literature regarding the reasons why elite reproduction could jeopardize reforms. The capital conversion theory which was drawing extensively on Bourdieu's (1986) work on different forms of capital argued, that nomenclature or old elites were best positioned to gain from the transition to market capitalism because they could convert their political capital into economic one. For example, Rona-Tas (1994) showed how former Hungarian party officials were using their vertical and horizontal ties to benefit financially from the newly emergent capitalism. Capital conversion theory saw the danger that the old elite would 'steal' the reforms, enrich themselves, and than use their newly gained economic power to stage a comeback and block the reforms.

By contrast, the 'market transition' theory formulated by Victor Nee (1989, 1991, 1996) argued that successful transition would depend on entrepreneurs because they were better adjusted to the rules and demands of market economy than the bureaucrats in elite positions. The bureaucrats are too entrenched in their networks populated with other elite bureaucrats to see opportunities, take risks, and innovate. Unlike entrepreneurs, the bureaucrats would flunk the test of the market. By implication, the theory suggests that high reproduction of elite would stifle entrepreneurial activity and delay if not derail transition to market democracy.

### Elite adaptation

The debate on elite reproduction has serious shortcomings. With its focus on the rates of reproduction of the old elite it drifted from science to politics. What is the rate of reproduction that is acceptable, right, tolerable, safe, justifiable, fair, efficient, or adequate? There are two sides in this debate, radical and pragmatic, that try to provide a some kind of an answer. The radical one argues that the reproduction rates of old elites are too high because they suffocate the growth and development of new elites and

could destabilize democratic regimes (Adam 1999). To give democracy a chance they advocate radical circulation of elites that would tilt the balance of power from the old to the new elites. The key assumption of the radicals is that the regime change can be effectively completed only when all important positions in a society are handed over to the members of the new elite. The problem with the radical position is that it revives a Jacobinian question of how can the Republic survive with the crowned members of anciene regime hanging around? The Jacobinian solution to this question was shrilling: the guillotine. While the Republic had little choice because it was an island of democracy surrounded by the absolutist monarchies, the situation of East European regimes are just the opposite, they are surrounded by democracies.

The pragmatic side tries not to answer the question directly but to tame its radicalism (Kramberger, 1999). It argues that the democratic stability and consolidation does not depend on the replacement of old elite with the new one but on the ability of both elites to reach consensus about the rules of institutionalized competition. Once this consensus is in place it really does not matter how much reproduction and circulation there is among national elites. Democracy is safe as long as the agreed rules are upheld. What probably affects the rates of elite reproduction is the existence of a counter-elite contra-elite. It is possible to propose the following hypothesis. If, at the time of transition, there was a viable counter-elite, the reproduction of old elite could be lower. If effective counter-elite did not exist, the elite reproduction would be higher. What needs to be determined in each of the countries is the existence and viability of specific counter-elites.

In spite of high reproduction of old elite, irreversible changes in the political, economic and cultural system took place in most of the countries of the region. Furthermore, it is now well established that there was a strong path dependence between elite transition and regime change. In different countries of Eastern Europe, elite transition followed very different paths. Recent studies suggest that there were at least four different patterns of elite transformation in Eastern Europe (Higley, Pakulski, and Wesolowski, 1998: 7). They vary from the negotiated settlement creating consensual elites (Poland, Hungary, Slovenia), to sudden regime implosion and exodus of top communist leaders (East Germany, Czechoslovakia), limited liberalization of post-communist regimes (Bulgaria and Albania), and finally, to a preemptive coup producing divided elites (Romania, Ukraine, and Belarus). This differentiated view on regime change in the Eastern Europe suggests that besides elite reproduction and elite replacement the old elites in some countries of the region reproduced themselves by simultaneously adapting to a new situation rather than blocking the reforms. Which of the three scenarios - the reproduction of old elites, their adaptation to the market environment, or replacement with the new elites – took place in a particular country depended a lot on the balance of power between the new and old elites and on the way the regime change had been carried out. It seems that especially in those countries that experienced the negotiated settlement among the new and the old elites (i.e. where the old elites were neither expelled from the top positions nor did they retain absolute power vis-a-vis the new elites), the old elites both, achieved high reproduction rates and significantly adapted to

the new demands and standards of democratic regime. The old elites' adaptation resulted from the fact that they found themselves in a more or less balanced competition with the new elites, which put the pressure upon them to adapt to the new political and economic situation.

While several authors use the term elite accommodation to describe the change in behavior of old elites, we propose that the term elite adaptation is a more suitable concept. Accommodation refers to a process where actors reacts to the new demands by transforming them in such a way as to make them fit in their normal way of life. Elite accommodation would therefore mean that elite did not change its behavior but it did change the new requirements it was faced with. Adaptation, to the contrary, implies that actors undertake conscious effort at changing their patterns of behavior in order to better fit into the new environment. Elite adaptation involves the lack of control of elite actors over external environment, which requires the change in elite behavior. In this article we discuss the process of elite adaptation which, we believe, took place among Slovenian elites.

Adaptation theory is concerned with the consequences of high reproduction rates of old elites. What does that mean for the nature of regime transition? The answer depends on the degree of elite adaptation. When old elite members continue their careers in the new regime, the key question to be examined – not assumed – is whether or not they themselves have changed in the process. They could continue to operate in the same way as they used to before the transition by locking themselves in the circle of old ties, conspiring against the members of the new elite and their policies, and protecting their interests at the expense of reforms. But they could also adapt themselves by accepting the new rules of the game, opening up their networks to the members of the new elite, and working in competition and coalition with various segments of the new elites.

Adaptation of elites involves three independent aspects: value orientations, patterns of behavior in the national arenas, and the change in the patterns of coalition making. Value orientations could change during the transition. While many members of the old elite held on to their communist worldview, others assumed different political views on a broad specter resembling that in the Western democracies. Patterns of behavior refer to the willingness of the old elite to adopt the new rules of political competition and market economy. Changes in the patterns of coalition making imply changes at the individual and the systemic level. At the individual level, change involves how elite members replace their old contacts with the new contacts, change their sociability style and modify the way they form and maintain ties with other elite members. At the systemic level, the change refers to the overall elite integration. Coalition making depends on the extent to which different elite circles that form around the issues and institutions are integrated through direct and indirect social ties or remain fragmented.

Elite adaptation theory is therefore a good starting point for the analysis of transition in those societies that experienced negotiated settlement of old and new elites. Where transition trajectories avoided the expulsion of the old elite, it is important to focus on the adaptability of the new and old elite. By looking at the ego-centric networks of old and new Slovenian elites, we can determine the changes in the network composition, the quality of ties among elite members that are indicative of elite adaptability.

**Political transition in Slovenia: the case of negotiated settlement**

The entire decade starting with the death of Tito in 1980 was marked by the serach of a new governance model for the federal Yugoslavia and by the rise of the nationalist and social movents in various regions. Slovenian communist elite found itself exposed on two fronts. The competition between the fedaral and regional communist elites escalated into an open conflict over the future of Yugoslavia. The pressure on the Slovenian comunist elite from the centralizing coalition in Belgrade was made ever more threatening by the return of the Yugoslav army to the political stage as the force to reunite Yugoslav communist party and recentralize the country. On the domestic front the Slovenian political elite was faced with the rise of new social movements and massive popular mobilization against various policy issues as well as against the repression of federal authorities in Slovenia and Kosovo. Being squeezed between federal and domestic conflict the Slovenian communist elite underwent extensive change.

Elite change in Slovenia began in the early 1980. The change had a character of inter-generational replacement in which the old guard in their sixties and seventies was replaced with a new generation of communist cadres who were at that time in their late fourties and fifties. The generation shift brought to power a 'new' reformist-technocratic elite which identified itself more with the institutions of Slovenian state than with the Yugoslav Federation. They took power in the absence of the charismatic authority of Tito and in the wake of mass revolt in Kosovo and its ruthless repression by the Serbian police and Yugoslav army. The disagreements between national elites and federal authorities were fueled by ever more divergent vision of the responses to economic crises and the political future of the Federation.

The conflicts between the national elites at the federal level became stronger after the reformist faction prevailed in the Slovenian communist party. In the encounters with the old guard from other republics and with the newly installed Milosevic regime in Serbia, the new Slovenian communist elite became ever more differentiated and open for liberal political reforms. It embraced the agenda of Eurocommunism, advocated market reforms, took a stance against the centralization of the federal state and increased role of the military, and began to criticize the harsh repression of the population in Kosovo. The conflict between the Slovenian communist elite and Yugoslav communist party reached its highest point in January 1990 when Slovenian communists walked out of the Yugoslav party congress. Back home they redefined themselves as an independent Slovenian communist party.

While in conflict with the hard-liners in the Yugoslav context, Slovenian reformist elite was on the other side confronted with the ever more active civil society in Slovenia. From the beginning of the 1980s the Slovenian public was ever more politicized. It started with the public discussions and petitions regarding the topics such as repression in Kosovo, repression against the punk movement in Slovenia, and the opposition to educational reform. It continued in the form of new social movements (peace movement, green movement, women's movements), politicization of various professional organizations (writers, sociologists), and opening of the media space (Radio Študents,

Mladina weekly, Nova Revija). As many of the issues were directed against federal authorities rather than domestic elite, the Slovenian communist elite tolerated public dissent and accepted the dialoge with various civic groups and collective actors who took up very different issues, with a common agenda of human rights and political democratization.

The pressure from civic mobilization was accompanied by the increasing political differentiation within the Slovenian communist elite. The leadership of the Socialist Youth Organization (often referred to as the 'weakest point' of the communist organizational infrastructure) offered the legal shelter to various opposition groups which would have otherwise found themselves in a legal vacuum. Initially it hosted and sponsored various social movements. Later it helped in the formation of various associations which eventually turned into competing political parties. In constant interaction with civic groups and with the increasing differences within it ranks, the communist elite gradually accommodated its vision of the future political development of Slovenia and accepted the request for pluralization and freedom.

Federal and domestic pressures peaked in the summer of 1988. The federal army decided to bypass Slovenian leadership and its police by arresting four Slovenian journalists to put them on trial in military court. The public responded with massive demonstrations. The newly established movements and organizations (more than a thousand member groups including many local party organizations) were joined by 100,000 individual citizens who expressed their support to the arrested journalists by signing the petition sponsored by the ad hoc Committee for the Defense of Human Rights. The Committee was a loose organization with open membership, led by a group of left-leaning intellectuals and former party officials who were identified as advocates of an 'alternative culture' and 'new social movements'. The Committee started issuing daily bulletins, managed to penetrate leading media, and was in a direct contact with the Slovenian political elite.

The Committee and its success galvanized Slovenian political space. It was a proof to the communist elite as much as to the opposition that the changes were inevitable. Only in cooperation with the representatives of the politicized civil society could the communist party maintain its legitimacy. In the aftermath of the mass rallies there began the institutionalization of political opposition. In late 1988 and 1989 Slovenia saw the formation of various anticommunist parties: The Slovene Farmers Union, Slovene Democratic Union, Social Democratic Union of Slovenia, The Greens of Slovenia, and Slovene Christian Democrats. The final break with the past came when one of the pillars of communist institutional order, the Socialist Youth Organization renamed itself into a non-communist Liberal Party with a free market program. As the political space was transforming, the Slovenian communist party began to talk about its 'descent from power'. In response to the changes in political arena, Slovenian communist party transformed itself into a political party and thus contributed considerably not only to the nonviolent transition to democracy but also to its political survival.

In February 1989, the conflict with federal authorities intensified as Slovenian communists in a joint meeting with the opposition declared support for the constitutional

autonomy of Kosovo. In the wake of the threat of the Serbian raid previously experienced by Vojvodina and Montenegro, Slovenian political elite started to meet regularly with the opposition. After the danger passed, the meetings continued and evolved into roundtable talks. They informally legalized opposition and paved the way to first free elections, which were held in April 1990.

The free elections were held within the constitutional framework of socialist Yugoslavia. The coalition of anti-communist parties Demos won 55 percent of the vote. The renamed communists, the Party of Democratic Renewal, and the former socialist youth organization, the Liberal Democratic Party, finished as the two strongest parties. After the breakup of Demos and the fall of its government the Liberals took the reins and held on to power with various coalition partners into the new millennium.

The high reproduction of the old political elite in Slovenia is therefore not surprising. In a decade long transformation of Slovenian political space, the communist elite gradually adapted to the rules of political competition and the value of popular support. As facilitators of free elections under socialist Yugoslavia, the communists played a key role in transition to democracy. In the context of Yugoslavia, the party itself was in opposition. This experience positioned them well for the transition to multi-party competition.

## Methods and data

The data come from the survey of national elites in Slovenia in 1995. The survey was designed to be compatible with the cross-national comparative study of elite recruitment in post-communist Eastern Europe, conducted in Russia and five Eastern European countries. The survey involved interviews with several hundred occupants of key decisionmaking positions in major public and private sectors. The interviews gathered data on social backgrounds, political participation, and social and cultural capital of elites. There were 1041 respondents included in our survey with 899 being members of current elites in 1995 and 833 members of the elite in 1988. The total number of respondents was the result of the overlap between the new and old elite. The respondents represent the population of Slovenian national elites. The questionnaire was constructed to elicit responses about current and past experiences. Retrospective part of the questionnaire asked about the 1988.

Sample design began with the identification of key organizations in national arena. The top position holders in each institutional sector were included into the sample: politics, civil service, business, media, voluntary associations, judiciary, academia and culture. The sectors and organizations are described more fully in Appendix A.

Our network data consist of contacts between respondents and the persons they named in answer to six sociometric questions for current year and for the 1988. The questions are presented in the table below:

**Table 1**
**Name generators used in the survey**

| Name generators |
|---|
| **1988** |
| 1. Did you have a friend, acquaintance, or relative among the politicians at the national level in 1988? Name the one who was your most important contact. |
| 2. Did you have a friend, acquaintance, or relative among the private proprietors 1988? Name the one who was your most important contact. |
| 3. Did you have a friend, acquaintance, or relative among the general managers of state owned enterprises in 1988? Name the one who was your most important contact. |
| 4. Did you have a friend, acquaintance, or relative among the people from media in 1988? Name the one who was your most important contact. |
| 5. Did you have a friend, acquaintance, or relative among the dissidents in 1988? Name the one who was your most important contact. |
| **1995** |
| 6. Did you have a friend, acquaintance, or relative among the politicians at the national level in 1995? Name the one who was your most important contact. |
| 7. Did you have a friend, acquaintance, or relative among the private proprietors 1995? Name the one who was your most important contact. |
| 8. Did you have a friend, acquaintance, or relative among the general managers of state owned enterprises in 1995? Name the one who was your most important contact. |
| 9. Did you have a friend, acquaintance, or relative among the people from media in 1995? Name the one who was your most important contact. |

We also asked a number of name interpreter questions such as the sector of activity of each alter, how influential was the alter in public life, and how supportive he or she was for ego in public and private matters. We also measured the strength of ties, and content of ties (relative, business, friend), similarity in political opinions between ego and alters, and socialization in free time.

**Dynamics of change in the composition of elite networks, 1988-1995**

In this chapter we explore the phenomenon of adaptation of Slovenian elites to the new political situation by looking at the changes in the composition of elite networks. While social networks in general exhibit a high level of stability, their changes are usually a result of adaptation to the changes in the actors life situations and systemic changes. The changes in life situations for the members of national elites were numerous. They could experience mobility in or out of elite positions or movement between the sectors within the elite. These changes make for a big change in actors' life situation because of the nature of elite position. Entrance into the elite means not only a personal promotion but also the transition from private to public life with all the consequences it brings along. The loss of a position of power and privilege also means the retreat from public to private life. A lateral movement from politics to economy implies the shift in

the responsibilities from the general public to the private shareholders. All these changes in life situations require the actors to change their interaction partners with whom they share information, advice, influence and power. The survival at the top in particular depends on the formation of strategic ties with other powerful figures who are potential collaborators, supporters or coalition partners.

The systemic changes such as transition to democracy, privatization, the shift to market mechanisms, and, importantly, the inclusion in the international and regional integrative processes present actors not only with the changed personal life situations but also with a new sets of rule, expectations and opportunities. They require that actors change the way they go about their daily routines, relate to the new economic and political institutions, and the way they build and maintain their social relationships and strategic contacts. Systemic changes are expected to have consequences for the structure of elite's networks as well as the nature of contacts with their important partners. For example, they affect the degree of trust, closeness and openness of networks, the importance of weak versus strong ties, and the degree of inter-sector integration.

In order to show the adaptability potential of Slovenian elites, we examine how each of the two factors, the personal life situations and the systemic change, affected social networks of the members of Slovenian elites. We take up the two factors in separate sections. In this section we focus on the changes in the elites' life situation and the way they were reflected in the composition of social networks. We first describe the dynamics of change in elite composition from 1988 to 1995, second, examine the changes in the composition of personal networks of the elite members and third, demonstrate that those changes were a result of strategic elite adaptation.

**Table 2**
**Dynamics of change in elites from 1988 to 1995**

| | N | % |
|---|---|---|
| **Elites in 1988** | | |
| All elites | 833 | 100.0 |
| Leavers | 142 | 17.1 |
| Stayers | 691 | 82.9 |
| **Elites in 1995** | | |
| All elites | 899 | 100.0 |
| Stayers | 691 | 76.9 |
| Newcomers | 208 | 23.1 |

*Note: The three groups of elite members are:*
*'Leavers' - members of the elite in 1988, but not in 1995;*
*'Stayers' - members of the elite in 1988 and in 1995;*
*'Newcomers' - became members of the elite after 1988.*

Slovenian elite had one of the largest degrees of reproduction in comparison with other East Central European countries (Szelenyi and Szelenyi, 1994). Table 2 presents the data on the dynamics of change in the Slovenian elite. Only 17% of all the members of old elite lost their elite status after 1988. A large majority (83%) has succeeded to maintain their elite positions. The elite in 1995 has not only filled the empty slots but it grew in size. Newcomers represented 23% of all the members of the 1995 elite, while the old elite represented 77% of the 1995 elite.

But relatively small changes in the elite composition were accompanied by high fluctuation in their networks (Table 3). The members of the old elite preserved only 38% of all contacts from the 1988. Elite in the 1995 has only 35% of old ties. Thus in 1995 the elite was predominantly old by origin but its contacts were mostly new. These results indicate that the old elite exhibited a high level of adaptability. In the period of less than 7 years, the elite members replaced two thirds of their contacts.

**Table 3**
**Dynamics of change in the networks of elites' members:**

| | N | % |
|---|---|---|
| **Eites in 1988** | | |
| All alters | 4160 | 100.0 |
| Dropped alters | 2593 | 62.3 |
| Preserved alters | 1567 | 37.7 |
| **Elites in 1995** | | |
| All alters | 4494 | 100.0 |
| Preserved alters | 1567 | 34.9 |
| New alters | 2927 | 65.1 |

*Note: Alters in the networks of elite members are grouped in three categories:*
*'Dropped alters' - alters cited in 1988 but not in 1995;*
*'Preserved alters' - alters cited in 1988 and in 1995;*
*'New alters' -alters cited only in 1995.*

What were the reasons for so much change in the composition of elites' networks? At the beginning of this chapter we mentioned the changes in the alters life situations. Following the distinction proposed by McPherson (1988), we can say that the changes in the alters' life situation can lead to either induced or choiced change. In the former case, the changes in the elite composition are induced by the mobility of the members of the elite in and out of the elite (structural argument). In the later case, the changes in the network composition are the result of strategic choices (rational choice argument).

Structural argument would suggest that those members of the elite who significantly changed their position would experience the largest changes in their networks. Those who either entered or left elite positions experienced by far the most significant change. The elite members moving between different sectors of the elites would also have to

make adjustments to their networks due to new interdependencies in their new jobs. The smallest change in networks is expected among those members who stayed in the elite and who did not change the sector of their activity. There was little in their environment, according to the structural argument, that would induce them to adjust their networks.

**Table 4**
**Changes in the elites' networks by elite members' mobility 1988-1995**

| | Alters cited in 1988 networks of elites | | | | | Alters cited in 1995 networks of elites | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Dropped | | Preserved | | Total | Preserved | | New | | Total |
| | N | % | N | % | N | N | % | N | % | N |
| *Ego* | | | | | | | | | | |
| Leavers | 429 | 68.8 | 195 | 31.2 | 624 | 195 | 40.6 | 285 | 59.4 | 480 |
| Stayers | 1688 | 59.7 | 1141 | 40.3 | 2829 | 1141 | 37.6 | 1898 | 62.4 | 3039 |
| Same sector | 1329 | 59.2 | 915 | 40.8 | 2244 | 915 | 38.1 | 1487 | 61.9 | 2402 |
| Different sector | 359 | 61.4 | 226 | 38.6 | 585 | 226 | 35.5 | 411 | 64.5 | 637 |
| Newcomers | 476 | 67.3 | 231 | 32.7 | 707 | 231 | 23.7 | 744 | 76.3 | 975 |

*Note: Among stayers, elite members could be mobile. They could switch between the following three sectors: culture, politics, and economy.*
*Same sector - elite member was active in the same sector in both years 1988 and 1995;*
*Different sector - in 1988 elite member was active in different sector than in the 1995.*

Table 4 presents the results. The changes in the networks of those members that were mobile either in or out of the elite were indeed bigger than the changes of other elite members. Those who left the elite (leavers) experienced the largest change; they changed 68.8% of their contacts. The newcomers to the elite followed closely by changing 67.3% of their contacts. Although similar in the level of change, the two had very different experience. While the newcomers to the elite were able not only to replace the alters but also to expand their networks, the outgoing members ended up with smaller networks than they used to have. Given their loss of status, they probably experienced the difficulty in finding replacement for their former contacts.

However, the rest of the elite (stayers) was diligently redoing their networks as well. Overall, the stayers changed 59.7% of alters in their networks. While the stayers maintained their elite status, some of them nevertheless experienced the change in their life situation by changing the sector of their activity. To what extent did inter-sector mobility of stayers contribute to the changes in their networks? Not much. Stayers who stayed in the same sector changed 59.2% of alters while the stayers who switched their sector of activity changed 61.4% of their networks. Thus, we can see that the mobility of stayers between different sectors had only minimal effect on the level of change in the elite members' networks.

The data in table 4 indicate that a vast majority of change in the networks of elites was a matter of choice rather than being induced by the change in the life situation of the elite members. While the level of change in the networks of leavers and newcomers was somewhat higher than the one experienced by the stayers, the significance of induced changes was rather limited. This is clearly brought out by the lack of differences in network change between stayers who were mobile and those who were not. Irrespective of whether they changed their elite position, the stayers were equally agile in redrawing their networks.

Given that the changes in the elites' networks were only partially induced by the changes in the actors' life situation, there was a large element of choice exercised by the actors in the design of their networks. The elites have exercised strategic choice in the adaptation of their networks by shifting ties and alliances. The strategic choice argument is central to the elite adaptation theory. By exercising conscious, rational choice regarding their interaction partners, the actors reposition themselves in the political space, update their social connections, adjust their contacts of power and influence and thus adapt themselves for the new rules of political competition.

To test the strategic choice argument, we need to look closely at the choice of alters: what alters were chosen and what alters were dropped. In the words of rational choice theory, the relationship between ego and alter is based on the concept of utility. Actors constantly evaluate their relationship with alters from the perspective of marginal utility. According to rational choice theory, ego would tend to replace his ties with an alter when marginal utility of alter declines. The notion of marginal utility of a contact in the arena of national elites can be conceived in terms of political significance and clout they have in the national arena. It is not their formal power but rather their actual influence in the national polity that define the significance of an actor. Thus marginal utility of a contact depends on his or her influence in the national arena. The changes in the networks of elites' members reflects the changes in the importance and influence of the alters. According to this theory we should expect that the alters who experienced the decline in their influence were more likely to be dropped from the elites' networks. We should also expect that they should be replaced by alters who gained in their influence.

The results in the table 5 show that the alters who were dropped from the networks after 1988 were among the most influential in 1988 (4.0). In 1995, however, they were among the least influential of all alters (3.33). Alters that were newly recruited in the 1995 networks had only little influence (3.41) in 1988 but gained in their importance during the transition so that they were among the most influential alters in 1995 (3.93). And preserved alters who were retained in the networks throughout the period also retained their significant influence (3.87). Thus, the data suggest that the elites were changing their networks in response to the perceived influence of alters, which confirms the strategic behavior of elites described above.

**Table 5**
**Changes in the influence of alters in the networks of elites from 1988 to 1995**

| | Alters in 1988 and 1995 | | | | | |
|---|---|---|---|---|---|---|
| | Dropped | | Preserved | | New | |
| | 1988 | 1995 | 1988 | 1995 | 1988 | 1995 |
| Average influence of alters | 4.00 | 3.33 | 3.82 | 3.87 | 3.41 | 3.93 |
| **By groups of EGO:** | | | | | | |
| Leavers | 4.10 | 3.12 | 3.93 | 3.67 | 3.50 | 3.75 |
| Stayers | 4.02 | 3.35 | 3.83 | 3.91 | 3.44 | 3.96 |
| Newcomers | 3.82 | 3.46 | 3.73 | 3.85 | 3.30 | 3.95 |

*Note: The influence of alters was measured on the scale from 1 'not influential' to 5 'very influential'.*

The strategic choice argument is further explored in the lower part of the table 5 which examines the influence of alters by the three groups of elite members: leavers, stayers and newcomers. The leavers who left the elite before 1995 used to be connected with the most influential alters (4.10). Once they lost their elite position they scrambled to redo their networks. They dropped those alters who lost their influence (3.12), but were unable to fill the void with very influential contacts (3.75), most likely because they themselves were dropped by influence seeking actors. Furthermore, the data suggest the tendency of newcomers and stayers to replace their less influential alters with alters whose influence increased in the period from 1988 to 1995. However, the recruitment pattern of alters differs importantly between the newcomers and stayers. The stayers were recruiting new alters from among those individuals who were moderately important in 1988 (3.44) and whose importance increased in 1995 (3.96). The newcomers, however, recruited their alters from among the people who had little influence in 1988 (3.30) but became influential during the transition by 1995 (3.95). The difference in the recruitment pattern indicates a possible trend toward polarization between the new (newcomers) and the old elite (stayers).

This finding refines the strategic choice argument proposed above. While all elites were dropping their less important alters only to replace them by their more influential colleagues, the search for and the recruitment of the alters was structured. The old elite was seeking new alters among the second echelons of the old elite who experienced promotion to more influential positions during the transition. The new elite was recruiting new alters from among the newly established figures who had been on the fringes of national polity in 1988 but surfaced during the transition.

## Conclusion

A smooth transition to democracy in Slovenia was a result, on the one side, of the disintegration of the Yugoslav communist elite, and on the other side, of a well developed civil society and political opposition within Slovenia. Slovenian old but reformist elite which replaced hard-liners in the Slovenian Communist Party in the mid-1980's came into a head on head confrontation with the Yugoslav central authorities and formally broke with the Yugoslav Communist Party. The developments within Yugoslavia, especially the attempts by Serbia and the military to establish control over the federal institutions, brought Slovenian political elite on the same side with its emerging political opposition. Under the threat of external intervention, the political settlement between the old and the emerging new elites was almost a natural development.

A smooth transition resulted in high reproduction rates of Slovenian elites. Political elite, which had high although lower reproduction rates than the cultural or economic elites, managed to sustain itself in elite positions in spite of transition. Slovenia had some unique vehicles for the reproduction of old political elite. The key one was probably the differentiation of the old political elite in the late 1980s which created different political groups within the seemingly unified communist regime, a phenomenon known as a 'within-system opposition'. Slovenian Socialist Youth Organization, for example, simply transformed itself into a Liberal Democratic Party with a genuine libertarian economic program and ideology. Several other non-communist parties were nurtured under the cover of the Slovenian Youth Organizations in the late 1988 and 1989, until the law on political organizations, which established multiparty political system, was enacted. Thus, the reproduction of Slovenian political elite was the result of a unique fact that many of its members continued their political careers after the transition as the leaders of opposing political parties.

The nature of the reproduction of Slovenian political elite requires a serious rethinking of the elite reproduction phenomenon. Elite reproduction is often linked to the notion of regime continuity. High reproduction rates of old elites are seen by many authors as the failure of regime change and the threat to democratic reforms because they assume that the old elite reproduces itself as a single political bloc which is, apart from changing the name of the party, incapable of serious adaptation and transformation. But in the Slovenian case, members of the old elite have turned into effective non-communist leaders of democratic and market reforms. The change in their party allegiance, world-view, and political objectives required them to undergo an extensive change in terms of their personal, political and social identity. They had to adapt with regard to who they are, how they present themselves to the public and with whom they work, socialize, discuss issues, and collaborate.

In this paper we proposed an elite adaptation argument. We argued that under certain conditions elites are capable of serious adaptation in terms of beliefs, norms, and patterns of behavior and interacting. By using the data from the 1995 elite survey in Slovenia we showed that very high reproduction rates were indeed accompanied with significant changes in the composition and character of elite networks. Our results indicate, first,

that networks of all members of the elites: newcomers, stayers and leavers alike were characterized by high turnover of important interaction partners between the years 1988 and 1995. Those changes in the composition of networks were not simply induced by changes in the elite members' life situations such as mobility in and out of the elite, or between different sectors of the elite. On the contrary, changes in the networks of the members of the elite were a matter of strategic choice. Even those who experienced no change in their position during the transition (stayers), replaced more than half of contacts in their social networks.

This extensive change in the ego-networks of the members of both new and old elite supports the elite adaptation argument. The process of elite adaptation is important for the consequences it produces, namely, elite integration and regime consolidation. The integration of elites in the national arena, and consequently, the consolidation of democracy, depends largely on the ability of the elite to form the ties with other elite members who belong to different social and policy circles. The research on elite integration in Western democracies demonstrates that national elites operate through a system of influence circles which form around and across issues and institutions that are integrated through informal social ties (Higley and Gunther, 1992; Higley, Hoffman-Lange, Kadushin, and Moore, 1991). While the formation of ties between different elite segments, ideological camps, fractions and interest groups is a key vehicle of elite integration and regime consolidation, the elite adaptation phenomenon is a prerequisite for elite integration. By strategically adapting their networks to the realities of political and economic situation, the members of national elites create opportunities for contact, coalition making, cooperation, and interpersonal confrontation. The lack of elite adaptation would mean that both old and new elites would remain locked in the circles of old contacts, interests, and constituencies. Competition between non-adaptable elites would inevitably lead to conflict without hope of a compromise. By contrast, adaptation of elites carries a promise of interaction, flexibility in the formation of alliances, and elite integration. Competition of elites that are capable of making major adjustments in their networks has a potential to lead to integrative compromise and negotiated settlement of divisive issues.

**Appendix A**
**Sectors and organizations in Slovenian elite study**

| Sector | Organizations 1988 | 1995 |
|---|---|---|
| Politics | League of Communists of Slovenia (LCS), other political organizations, Parliament, Executive Council, Ministries, Presidency, local governments | Cabinet, Ministries, Parliament, Presidency, key mayors, parties |
| Civil Service | State agencies | State and quasi-state agencies |
| Judicial | Key judges and prosecutors | Key judges and prosecutors |
| Business | CEOs (50 largest public firms), largest banks, big entrepreneurs | CEOs (largest public and private companies, banks) |
| Media | Largest newspapers, magazines, TV and radio | Newspapers, magazines, TV and radio |
| Unions | League of Trade Unions of Slovenia | Largest unions |
| Academic | Universities, research institutes, Slovenian Academy of Science | Universities, research institutes, Slovenian Academy of Science |
| Culture | Museums, theaters and other major cultural institutions, largest publishing companies | Museums, theaters and other major cultural institutions, largest publishing companies |
| Voluntary associations | Catholic church | Catholic church |

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